Tourism, Parks and Recreation

Annual Report
2011-2012

Alberta

Note to Readers:
Copies of the annual report are available on the website or by contacting:

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Tourism, Parks and Recreation

Annual Report 2011-12

Preface	2
Minister's Accountability Statement	3
Message from the Minister	4
Management's Responsibility for Reporting	5
Results Analysis	6
Ministry Overview	6
Review Engagement Report	9
Performance Measures Summary Table	10
Discussion and Analysis of Results	11
Ministry Expense by Function	27
Financial Information	29
Financial Statements	31
Other Information	123
Statements of Writeoffs	123
Acts Administered by Tourism, Parks and Recreation	124
Performance Measures: Data Sources and Methodology	125
Readership Survey	129

Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 21 ministries.

The annual report of the Government of Alberta contains the ministers' accountability statements, the consolidated financial statements of the province and the *Measuring Up* report, which compares actual performance results to desired results set out in the government's strategic plan.

On October 12, 2011, the government announced new ministry structures. The 2011-12 ministry annual reports and financial statements have been prepared based on the new ministry structure.

The October 12, 2011 Ministry of Tourism, Parks and Recreation transferred responsibility for Enforcement Activities to the Ministry of Solicitor General and Public Security.

This annual report of the Ministry of Tourism, Parks and Recreation contains the minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- **the financial statements of entities making up the ministry including the Department of Tourism, Parks and Recreation and provincial agencies for which the minister is responsible; and**
- **other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.**

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2012, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at May 30, 2012, with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Original signed by
Christine Cusanelli
Minister of Tourism, Parks and Recreation

Message from the Minister

The Ministry of Tourism, Parks and Recreation is proud to contribute to the high standard of living we enjoy in Alberta. We support Albertans participating in recreation and sport, preserve our natural heritage through an extensive provincial parks system, and invite the world to experience all of the wonder and beauty Alberta has to offer.

Encouraging all Albertans to lead healthy, active lives is a priority for our ministry and a sound investment in our future. We worked with stakeholder groups, other Alberta government ministries, educational institutions, nonprofit agencies and the private sector to create the *Active Alberta* policy, a comprehensive 10-year blueprint that will guide the direction for recreation, active living and sport outcomes. The ministry will continue to work with these partners to develop an implementation plan.

An example of how we are using partnerships to increase youth participation in sport and recreation is the Alberta Future Leaders Program. This collaboration with private industry and local community services allowed more than 6,000 young people in eight communities to develop leadership skills through sport last summer. By learning these skills, youth gain confidence and discover that they can make a difference by contributing to stronger, healthier communities.

Another priority for our ministry is protecting invaluable natural environments and promoting outdoor recreation through our provincial parks system. Glenbow Ranch, our newest provincial park, opened in August 2011. Glenbow Ranch is a popular destination that helps to meet the growing demand for recreation in the Calgary region, build appreciation for our natural spaces, and ensure foothills fescue parkland is preserved for generations to come.

As we work to support a healthy, active Alberta that values and enjoys our natural spaces, we also strive to share this incredible province with visitors from across Canada and around the world. Tourism is vital to our economy. Attracting visitors helps support thousands of jobs and billions in economic benefits across the province.

Inviting visitors to explore Alberta is the responsibility of Travel Alberta, the province's tourism marketing agency. This past fall, Travel Alberta unveiled a new brand that appeals to travellers' emotions and highlights our authentic experiences in breathtaking landscapes. Tourism industry partners have shown tremendous support for the new brand, and the "remember to breathe" commercials have become a hit with potential visitors on YouTube.

Ensuring we have the attractions and amenities visitors are looking for in a holiday destination is critical to our success in the global marketplace. That's why we re-established the Tourism Investment Forum, working with developers and more than 70 communities to encourage investment in tourism-related projects ranging from RV parks to four-season resorts.

These are just some of the accomplishments from the past year that demonstrate our ongoing commitment to Albertans to help make our province a great place to live, work and visit. We look forward to building on these achievements in the coming year.

Original signed by
Christine Cusanelli
Minister of Tourism, Parks and Recreation

Management's Responsibility for Reporting

The Ministry of Tourism, Parks and Recreation includes the Department of Tourism, Parks and Recreation; Travel Alberta; and the Alberta Sport, Recreation, Parks and Wildlife Foundation.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of Tourism, Parks and Recreation. Under the direction of the minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability – information used in applying performance measure methodologies agrees with underlying source data for the current and prior years' results.
- Understandability – the performance measure methodologies and results are presented clearly.
- Comparability – the methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Completeness – goals, performance measures and related targets match those included in the ministry's Budget 2011.

As deputy minister, in addition to program responsibilities, I am responsible for the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

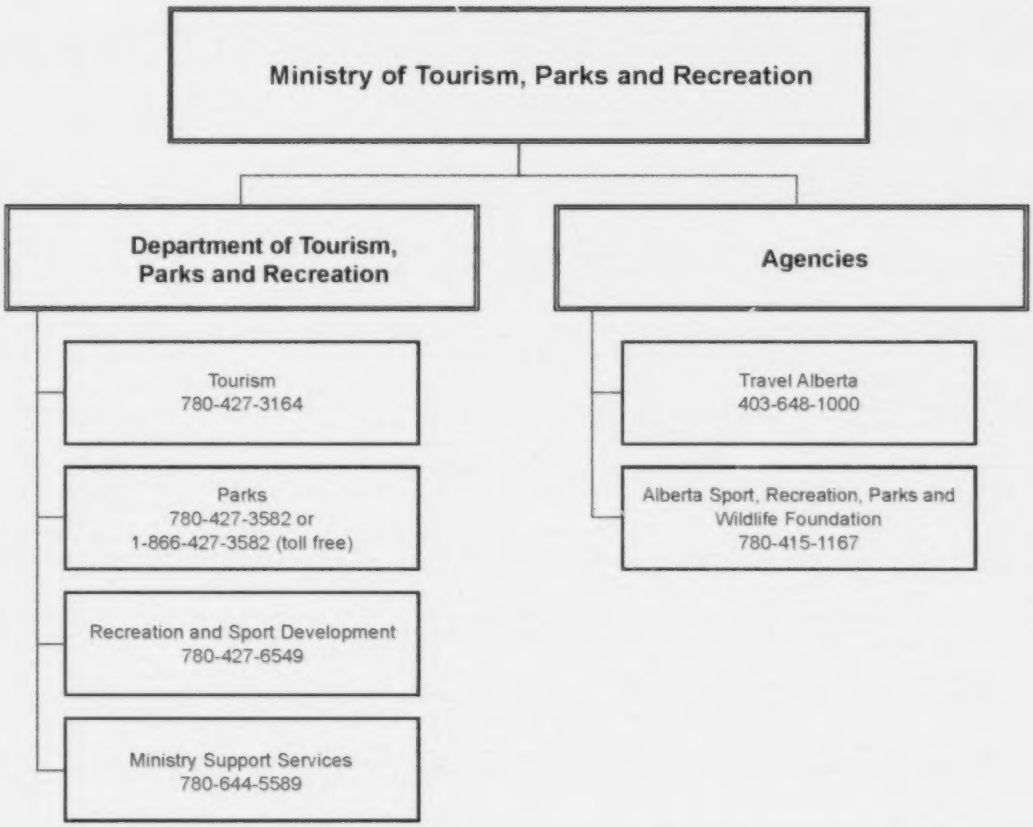
- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, the President of Treasury Board and Minister of Finance and the Minister of Tourism, Parks and Recreation information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executive of the individual entities within the ministry.

Original signed by
Brad Pickering
Deputy Minister of Tourism, Parks and Recreation
May 30, 2012

Results Analysis

Ministry Overview



The ministry consists of the department; Travel Alberta; and the Alberta Sport, Recreation, Parks and Wildlife Foundation. The following description of the ministry's structure provides an overview of the range of programs and services available.

Department

1. Tourism

The Tourism Division facilitates the growth and expansion of marketable tourism products and destinations. It supports the tourism industry and other provincial stakeholders in developing policy and planning initiatives, conducts research, collects and distributes tourism data and market intelligence to the tourism industry, provides access to images and footage showcasing Alberta's beauty, and supports product development and visitor services. The division also provides advisory services and information to tourism operators and stakeholders to facilitate the development and improvement of Alberta's private and public sector tourism products and assets. Additionally, the division encourages private sector investment in Alberta's tourism industry from domestic and international sources, and works with Parks Canada on tourism product development and tourism resource management on federal park lands. The division also encourages the federal government to adopt policies that enhance air service to Alberta. Public information and travel counselling services are provided through the 1-800-ALBERTA Travel Alberta Contact Centre, Travel Alberta visitor information centres, and community and regional visitor information centres.

2. Parks

The Parks Division is responsible for the management of Alberta's parks system, which includes wilderness areas, ecological reserves, natural areas, heritage rangelands, provincial parks, wildland provincial parks, provincial recreation areas and Willmore Wilderness Park. The parks system is managed to conserve Alberta's natural heritage, while offering a diversity of recreation opportunities for Albertans and visitors to the province. Provincial parks also serve as natural laboratories for scientific research, provide a venue for environmental education, and support primary, secondary and post-secondary education. The division also maintains the Alberta Conservation Information Management System, which is a key part of the province's biodiversity database, and coordinates Alberta's involvement in the Canadian Heritage Rivers Program. Alberta's provincial parks offer 250 campgrounds and nearly 14,000 campsites.

3. Recreation and Sport Development

The Recreation and Sport Development Division collaborates with communities and organizations to promote active and healthy lifestyles through participation in recreation, active living and sport. The division ensures the strategic priorities and outcomes from the *Active Alberta* policy are met and supports leaders who play a key role in the delivery of programs and services that promote the health, social and economic benefits of recreation, active living and sport. The division supports athlete training, development of coaches and the pursuit of athletic excellence through interprovincial and international games. The Recreation and Sport Development Division also encourages recreation opportunities by assisting in the development of trails and supporting groups who build trails. The division also provides consultative and administrative support to the Alberta Sport, Recreation, Parks and Wildlife Foundation.

4. Ministry Support Services

Ministry Support Services includes the minister's office; deputy minister's office; communications; human resource services; financial services; policy, planning and legislative services; and information management and technology services. These services are provided to the entire ministry to optimize operating efficiency.

Agencies

1. Travel Alberta

Tourism marketing initiatives are carried out through Travel Alberta, the tourism marketing agency of the Government of Alberta. Travel Alberta manages regional, national and international tourism marketing programs and also provides cooperative tourism marketing support to industry. Travel Alberta also administers TravelAlberta.com, the province's official information web portal to assist with vacation planning and offer links to attractions, events and tourist destinations across Alberta.

2. Alberta Sport, Recreation, Parks and Wildlife Foundation

The Alberta Sport, Recreation, Parks and Wildlife Foundation is committed to helping people lead active, healthy lives and enhancing the quality of life in Alberta's communities. The foundation provides provincial leadership in inspiring wellness, celebrating achievements, guiding stewardship and enabling participation for all Albertans. It offers a wide variety of programs and services from grant programs that assist local clubs, organizations, communities, and provincial sport and recreation organizations; to the support provided to provincial and interprovincial games, and the preservation of natural land and wildlife habitat throughout Alberta.

AUDITOR GENERAL *Alberta*

Review Engagement Report

To the Members of the Legislative Assembly

I have reviewed the performance measures identified as "Reviewed by Auditor General" in the *Ministry of Tourism, Parks and Recreation's 2011-12 Annual Report*. The reviewed performance measures are the responsibility of the Ministry and are prepared based on the following criteria:

- Reliability - information used in applying performance measure methodologies agrees with underlying source data for the current and prior years' results.
- Understandability - the performance measure methodologies and results are presented clearly.
- Comparability - the methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Completeness - goals, performance measures and related targets match those included in the Ministry's Budget 2011.

My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the Ministry.

A review does not constitute an audit and, consequently, I do not express an audit opinion on the performance measures. Further, my review was not designed to assess the relevance and sufficiency of the reviewed performance measures in demonstrating Ministry progress towards the related goals.

Based on my review, nothing has come to my attention that causes me to believe that the "Reviewed by Auditor General" performance measures in the Ministry's 2011-12 Annual Report are not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability, and completeness as described above.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 18, 2012

Edmonton, Alberta

Performance measures reviewed by the Auditor General are noted with a double asterisk (**) on the Performance Measures Summary Table

Performance Measures Summary Table

Goals/Performance Measure(s)		Prior Years' Results				Target	Current Actual
1.	**Alberta's tourism products are developed and expanded, and tourism from targeted domestic and international markets is increased**						
1.a	Percentage of tourism industry clients satisfied with tourism development services*	73.5% 2007-08	71.6% 2008-09	76.6% 2009-10	79.3% 2010-11	78.0%	Not Available 2011-12
1.b	Total tourism expenditures in Alberta ($billion)	5.6 2007	5.7 2008	5.4 2009	5.5 2010	5.9	5.7[e] 2011
1.c	Percentage of clients satisfied with their overall experience at Travel Alberta visitor information centres**	99.1% 2007	99.8% 2008	97.0% 2009	98.2% 2010	98.0%	97.5% 2011
1.d	Percentage of clients satisfied with the overall service received through the Travel Alberta Contact Centre	98.2% 2007	97.7% 2008	97.4% 2009	98.9% 2010	98.0%	99.4% 2011
2.	**The provincial parks system provides opportunities for outdoor recreation and tourism, and conserves Alberta's natural heritage**						
2.a	Percentage of adult Albertans who visited a provincial park in the last 12 months	35.9% 2007-08	32.8% 2008-09	30.2% 2009-10	31.5% 2010-11	33.0%	33.4% 2011-12
2.b	Percentage of visitors satisfied with the quality of services and facilities at provincial parks **	89.5% 2007-08	93.3% 2008-09	94.7% 2009-10	93.1% 2010-11	95.0%	93.8% 2011-12
3.	**Albertans increasingly choose physically active lifestyles through participation in recreation and sport, and athletes excel through sport development opportunities**						
3.a	Percentage of adult Albertans who participated in recreational activities and sport **	78.6% 2007-08	85.6% 2008-09	80.4% 2009-10	88.2% 2010-11	83.0%	84.8% 2011-12
3.b	Percentage of Albertans age 12-19 who are active or moderately active in their leisure time*	72.3% 2007	73.1% 2008	75.5% 2009	74.7% 2010	76.0%	Not Available 2011

* The last actual is not available at time of print.

** Indicates performance measures that have been reviewed by the Office of the Auditor General. The performance measures indicated with ** were selected for review by ministry management based on the following criteria established by government:

- Enduring measures that best represent the goal and mandated initiatives,
- Measures for which new data is available, and
- Measures that have well established methodology.

e – Estimate, as final data from Statistics Canada are not available at time of print.

For more detailed information see Performance Measures: Data Sources and Methodology on pages 125 - 127.

Discussion and Analysis of Results

Goal One

Linked to Core Business One – Tourism development, research and marketing

Alberta's tourism products are developed and expanded, and tourism from targeted domestic and international markets is increased

Overview

Tourism, Parks and Recreation supports this goal by working collaboratively with industry stakeholders and all levels of government to facilitate the expansion of Alberta's tourism sector and increase awareness of the economic significance of tourism. The ministry provides travel information and counselling through the Travel Alberta Contact Centre, Travel Alberta visitor information centres, community and regional visitor information centres and the Travel Alberta website. The ministry researches, collects, interprets and distributes tourism data and market intelligence for industry stakeholders to identify business and collaborative opportunities.

Results

The ministry provided support for the development of the Canadian Badlands as an iconic tourism destination by working with 64 municipal government shareholders. Funding and advisory support were provided to assist Canadian Badlands Limited with the implementation of its tourism development strategy, including assisting municipalities with their tourism master plans, establishing artist cooperatives, enhancing major attractions and expanding outdoor recreation opportunities in the region. These developments will help achieve stronger, sustainable communities in the region, create job opportunities and contribute to both the regional and provincial economy.

The ministry worked with the Alberta Culinary Tourism Alliance to become an official, incorporated organization to help grow and enhance culinary tourism experiences in Alberta. Culinary tourism supports Alberta's producers, farmers' markets, restaurants and hotels. The formation of this new organization will help increase the awareness of Alberta as a culinary destination and provide support to the industry to increase culinary experiences. These activities will help increase tourism visitation and spending in all areas of the province.

The ministry worked closely with motorized and non-motorized trail groups such as Alberta TrailNet, Alberta Snowmobile Association, the Alberta Off-Highway Vehicle Association, as well as municipalities and local groups, to inventory, map and develop regional trails. The Grande Alberta South map was developed covering an area west of Edmonton and Red Deer up to the Rocky Mountains. On-the-ground trail development continued on the Rocky Mountain Legacy Trail, Peace River Trail and historic Athabasca Landing Trail. Continued trail mapping and development responds to increased interest by Albertans and visitors to explore regions in a more in-depth manner through the use of trails and enables all regions of the province to benefit from tourism (e.g., the 300 kilometre multi-use Iron Horse Trail links numerous municipalities and communities helping increase tourism visitation in the area).

In 2011-12, the ministry relaunched the Tourism Investment Forum in Edmonton, which had previously been held annually from 2005 to 2009. More than 70 community representatives, developers and investors attended the event on November 9, 2011. A total of 16 tourism investment opportunities were featured by the nine communities and two regional organizations participating in the event. Opportunities ranged from RV campground, cabin and hotel developments to four-season resorts. As a result of the forum, some communities are in direct discussions with investors and developers who are exploring potential tourism investment opportunities.

DID YOU KNOW?

Information on starting and investing in a tourism business in Alberta can be found on the ministry's website. This includes a series of publications to assist those interested in starting or investing in a tourism business.

To enhance air services and travel to and from key international tourism markets, a development mission was undertaken to meet with air carriers in Qatar and the United Arab Emirates interested in pursuing direct air service between those nations and Alberta. This region is identified by stakeholders as a priority market for air service due to its growth in outbound leisure and business travel. The ministry commissioned the development of air service development strategies for India, Latin America and China in partnership with the Edmonton Airports, Calgary Airport, Travel Alberta and other provincial ministries. These strategies identify opportunities and approaches for enhancing air service between Alberta and these growing markets in support of tourism, trade and investment.

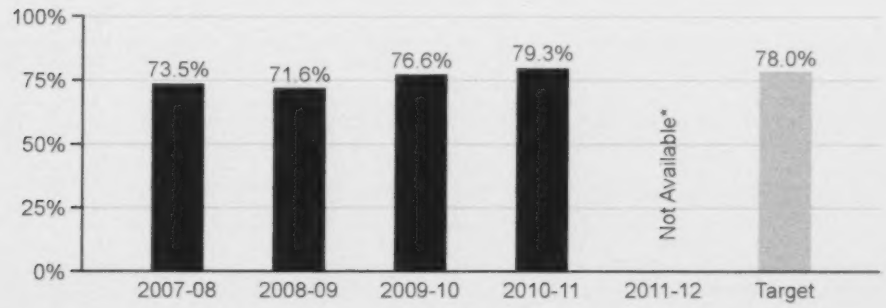
In October 2011, Travel Alberta launched a new tourism brand to generate awareness and preference for Alberta as a vacation destination. By appealing to traveller emotions and by highlighting Alberta's authentic experiences in breathtaking landscapes, the brand was designed to motivate and influence travel decisions with a strong and consistent story of Alberta. Tourism industry partners showed overwhelmingly positive support for the new brand. The TravelAlberta.com website was redesigned to better serve the needs of travellers and the site features new and improved content and functionality for users. Travel Alberta's new brand video was also recognized as the best tourism video in the world at the annual International Tourism Fair in Berlin, the world's largest tourism trade show. The new brand commercials (remember to breathe) posted to YouTube.com received more than one million views with overwhelmingly positive comments from around the world.

DID YOU KNOW?

A new Festivals and Events Tourism Growth Program was established. The program provides funding to festival and event organizations to help them grow the visitor experience, tourism revenues, and visitation and organizational capacity.

Performance Measures

1.a Percentage of tourism industry clients satisfied with tourism development services



Source: Tourism Division Client Satisfaction Survey

* The 2011-12 result is not available at the time of print. Following guidelines established for conducting government activity during an election, the evaluation of tourism development services is planned for June 2012. The online version of this report will be updated when available.

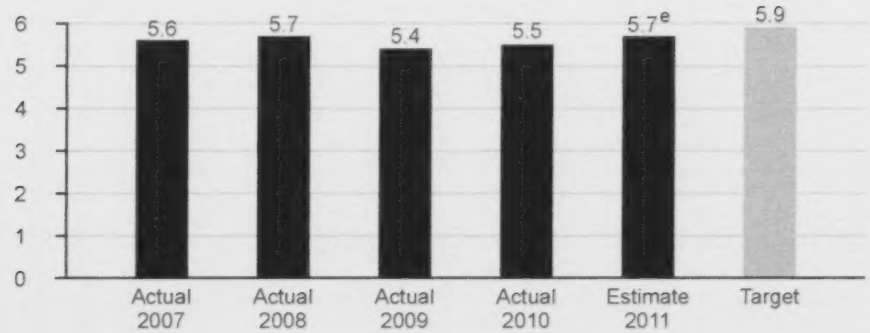
Description

This measure indicates the percentage of public and private sector tourism industry clients who were satisfied with their contact with the Tourism Division. The division provides a range of information and advisory resources for new and expanded tourism development projects throughout Alberta. Services are organized under three distinct program areas: resource management and development; destination development and product enhancement; and tourism business development and investment.

Results

The 2011-12 result was not available at the time of print.

1.b Total tourism expenditures in Alberta ($billion)



Source: Statistics Canada: Travel Survey of Residents of Canada and International Travel Survey, and Tourism, Parks and Recreation
Note: Measured in current dollars (billion) and includes expenditures made by residents and non-residents.
e – Estimate. Results may be revised based on new data from the Travel Survey of Residents of Canada or the International Travel Study.

Description

This measure indicates the annual value of all tourism-related expenditures in Alberta. This includes expenditures made in Alberta by visitors from overseas, the United States, other Canadian provinces and Albertans.

Results

It is estimated that the 2011 result will be $0.2 billion less than the target.

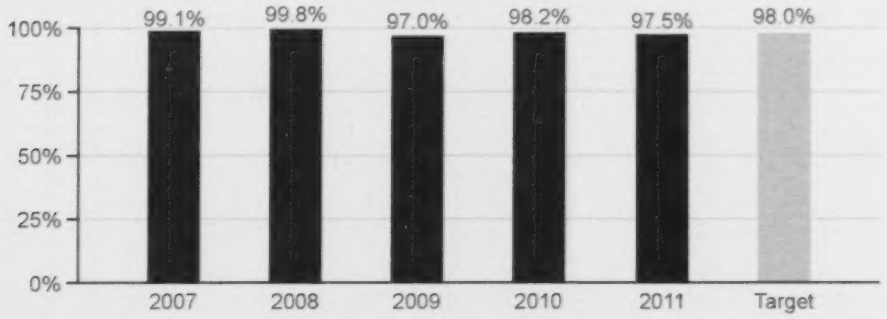
Analysis

The estimate for 2011 is $0.2 billion more than the 2010 result of $5.5 billion. In 2010, residents of Alberta accounted for 53.2 per cent of tourist expenditures and residents from the rest of Canada accounted for 24.2 per cent. Visitors from the United States accounted for 10.2 per cent and other international visitors accounted for 12.4 per cent of total tourist expenditures.

The global economy is still recovering from the recession. Economic performance in industrialized countries, such as the United States, the United Kingdom and other European countries is expected to have a negative impact on travel volume and spending in Alberta in 2011. External influences that may also have an impact on results include economic conditions in Alberta's key tourism markets, the value of the Canadian dollar, disease, natural disasters, implementation of border crossing procedures, and increased competition from other tourism destinations.

Tourism marketing strategies, such as Travel Alberta's Stay marketing campaign and the launch of the new brand, including the new website and other initiatives like the "remember to breathe" series of commercials, helped make Alberta a destination of choice for travellers.

1.c Percentage of clients satisfied with their overall experience at Travel Alberta visitor information centres



Source: Visitor Information Centre Satisfaction Survey

Description

This measure indicates the satisfaction of clients with their overall experience at Travel Alberta visitor information centres.

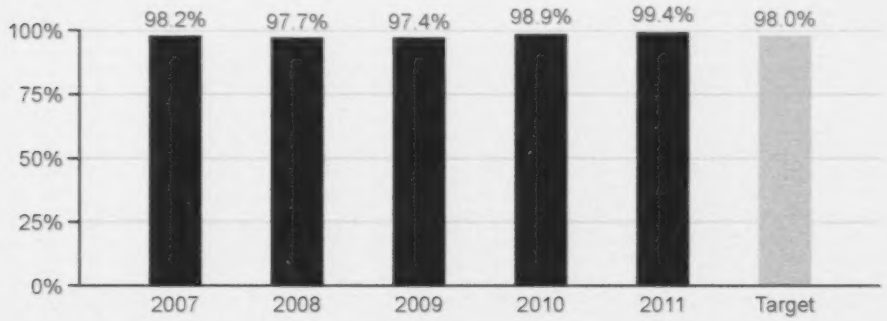
Results

In 2011, 97.5 per cent of clients were satisfied with their experience, essentially meeting the target.

Analysis

Factors influencing results could include the age and condition of facilities, a client's prior experiences at other sites/venues and the level of staff training and knowledge of Alberta. Consistent, high-quality staff training, as well as good working conditions and effective teamwork, contribute to achieving and maintaining a high level of visitor satisfaction. Visitors were most satisfied with Travel Alberta visitor information centre staff in the following areas: being knowledgeable (98.6 per cent), doing everything to meet service needs (98.3 per cent), providing appropriate information/recommendations (98.4 per cent), being courteous (99.0 per cent), and going the extra mile to help (96.4 per cent). Approximately 61.3 per cent of clients indicated that they would make another trip to Alberta because of the information they gained from visiting the centre and another 26.0 per cent indicated they would consider it.

1.d Percentage of clients satisfied with the overall service received through the Travel Alberta Contact Centre



Source: Travel Alberta Interactive Voice Response Survey

Description

This measure indicates the overall satisfaction of callers to the Travel Alberta Contact Centre (1-800-ALBERTA).

Results

In 2011, 99.4 per cent of clients were satisfied with the overall service, exceeding the target by approximately one per cent.

Analysis

External factors that can influence satisfaction include the amount and quality of information available from other travel sources, clients' expectations and current knowledge, and call volume. Consumer use of the Internet for travel planning and research purposes results in higher expectations from clients. Continued monitoring and consultation with the service contractor resulted in consistently high satisfaction ratings. When asked about their experience with the specialist at the contact centre, 99.5 per cent of clients responded that the Travel Alberta specialist was courteous, 97.7 per cent responded that they were knowledgeable and 97.9 per cent responded that the Travel Alberta specialist did everything necessary to assist them with their service need.

Goal Two

Linked to Core Business Two – Management of Alberta's provincial parks

The provincial parks system provides opportunities for outdoor recreation and tourism, and conserves Alberta's natural heritage

Overview

The ministry manages more than 27,600 square kilometres of land as a legacy for future generations while providing opportunities for outdoor recreation and nature-based tourism. Interpretation and environmental education help to foster an understanding of Alberta's natural heritage and promote experiential, lifelong learning.

Results

Glenbow Ranch Provincial Park officially opened on August 9, 2011. The park, located in the Bow River valley between Cochrane and Calgary, has a land area of 13 square kilometres with more than 28 kilometres of walking and cycling trails. It also offers kiosk, viewpoint, washroom and picnic table services.

To ensure linkages with the *Plan for Parks* and the *Land-use Framework*, a program charter was developed to coordinate the drafting of regional park plans for the seven *Land-use Framework* regions. This was done in an effort to engage Albertans in park planning; provide direction for the management and protection of park lands; and to provide additional recreational opportunities.

To increase the appeal of provincial parks, further research was completed to broaden and enhance the range of services available to visitors in parks that are significant tourism destinations. Additional work that supported resource development included a review of current permit terms for commercial trail riding operations. This was completed as part of the joint review of commercial trail riding being done in partnership with the Ministry of Sustainable Resource Development.

DID YOU KNOW?

The Alberta Parks online reservation service, www.Reserve.AlbertaParks.ca, has expanded. The service now accepts online reservations at 59 campgrounds and 78 group camping sites.

Partnerships with the Lesser Slave Lake Bird Observatory Society and Friends of Fish Creek Provincial Park Society supported learning and stewardship opportunities in provincial parks. As well, the Lakeland Interpretive Society and Ducks Unlimited provided funding to support a parks seasonal interpreter.

A partnership with the Institute for Canadian Citizenship encouraged new Canadian citizens to discover the provincial parks. The Institute's Cultural Access Pass program helps new citizens create their own Canadian experiences in their first year of citizenship by opening doors to Canadian culture. Pass holders visiting Alberta's provincial parks can enjoy two free nights at a basic campsite and free access to select parks programs such as a bus tour at Dinosaur Provincial Park. They can also enjoy free day-use privileges to all of Alberta's provincial parks, including daily ski passes to Canmore Nordic Centre Provincial Park.

Fifty-one major capital infrastructure improvement projects were undertaken in Alberta's provincial parks and recreation areas including water system and sewer line upgrades, camping facility upgrades, trail enhancements, road and parking lot paving, and refurbishment of buildings. These major capital construction projects included water and sewage system projects at Bow Valley, Jarvis Bay, Lesser Slave Lake, Long Lake, Pembina River, Peter Lougheed, Pigeon Lake, Red Lodge, Whitney Lakes and William A. Switzer provincial parks.

DID YOU KNOW?

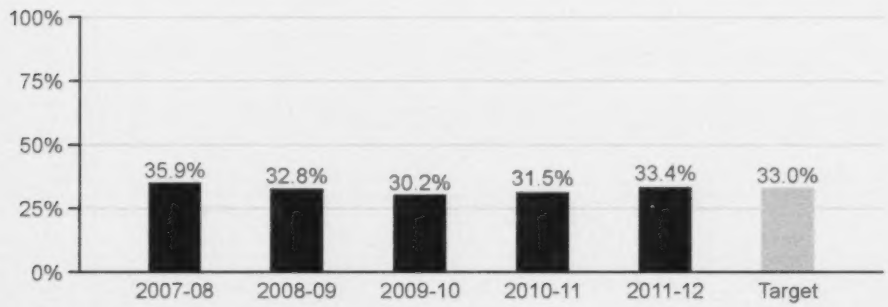
Caribou Mountains Wildland Provincial Park is Alberta's largest provincial park with a land area of 5,910 square kilometres. The park is larger than Canada's smallest province – Prince Edward Island – which is about 5,660 square kilometres.

Campsite improvements were made at Beauvais Lake, Carson-Pegasus, Cross Lake, Hilliard's Bay, Kinbrook Island, Lesser Slave Lake, Miquelon Lake, Pembina River, Pigeon Lake, Sir Winston Churchill, Tillebrook, Whitney Lakes and Writing-on-Stone provincial parks, Cypress Hills Interprovincial Park and at Franchere Bay Provincial Recreation Area.

Other improvements included trail system upgrades at Bob Creek Wildland Provincial Park, campground road paving in Sheep River Provincial Park and amphitheatre parking lot paving in Lesser Slave Lake Provincial Park; playground installations at Calling Lake and Whitney Lakes provincial parks, and completion of two washroom buildings at Sylvan Lake Provincial Park and a shower building at Sir Winston Churchill Provincial Park.

Performance Measures

2.a Percentage of adult Albertans who visited a provincial park in the last 12 months



Source: Tourism, Parks and Recreation Survey of Albertans

Description

This measure indicates the percentage of adult Albertans who visited a provincial park in the past 12 months, not including any visits to neighbourhood, city, regional or national parks.

Results

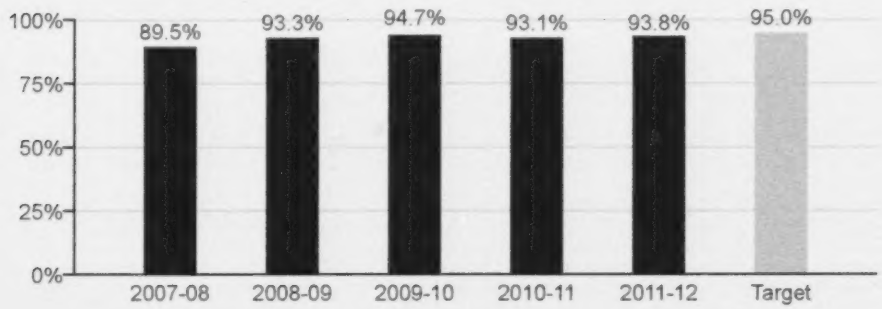
The 2011-12 result was 33.4 per cent, meeting the target. This result is 1.9 per cent more than last year's result and the highest since 2007-08.

Analysis

Results indicate that approximately one-third of adult Albertans visit a provincial park annually. While the proportion of Albertans visiting provincial parks has remained broadly stable over the last five years, the overall number of visits has increased as the province's population continues to grow. For example, from 2006-07 to 2010-11 the population of Alberta increased by approximately 350,000 people. If one-third of these people visited parks at least once, the actual number of visitors would have increased by approximately 115,000 during this period.

Results may be affected by influences such as changing population characteristics, economic conditions, weather and public awareness of facilities and services. These results exclude visits made to national, municipal or privately owned parks in Alberta, so results may be impacted by the promotion and use of these other parks.

2.b Percentage of visitors satisfied with the quality of services and facilities at provincial parks



Source: How are we doing? Provincial Parks and Recreation Areas Camper Satisfaction Survey

Description

This measure indicates visitors' overall satisfaction with the services and facilities at Alberta's provincial parks and recreation areas.

Results

In 2011, 93.8 per cent of visitors were satisfied with their park experiences, approximately one per cent less than the target.

Analysis

Overall satisfaction consists of all those who reported they were satisfied or very satisfied with their experience. Of these satisfied visitors, 45.6 per cent were very satisfied with their experiences. Visitor satisfaction is influenced by several factors, including programs offered during the visit, public awareness of facilities and services, infrastructure renewal programs, services provided by contractors and park staff, interactions with other visitors, and the age, condition and cleanliness of facilities. When rating the staff of provincial parks and recreation areas, 92.9 per cent of the respondents felt that the staff was friendly and courteous. Additionally, 90.4 per cent of the respondents indicated they would return to the same campground in the future. The ministry made significant infrastructure improvements with 51 major capital projects undertaken in parks. Projects included water systems and sewer lines, new washroom and shower facilities, improved campsites, and road and trail paving.

Goal Three

Linked to Core Business Three – Recreation, active living and sport

Albertans increasingly choose physically active lifestyles through participation in recreation and sport, and athletes excel through sport development opportunities

Overview

The ministry provides leadership through policy, planning and research, and through the Alberta Sport, Recreation, Parks and Wildlife Foundation, which provides consultative services and financial assistance to facilitate participation opportunities in recreation, active living and sport, and the achievement of athletic excellence.

Results

On June 11, 2011, the ministry launched the *Active Alberta* policy, a comprehensive recreation, active living and sport policy. The policy is a 10-year blueprint that will guide the direction for recreation, active living and sport outcomes through a coordinated system involving stakeholders, nonprofit organizations, other levels of government, the private sector and individuals. This policy will inspire Albertans to become more active every day through sustainable, province-wide activities that generate awareness and encourage collaboration.

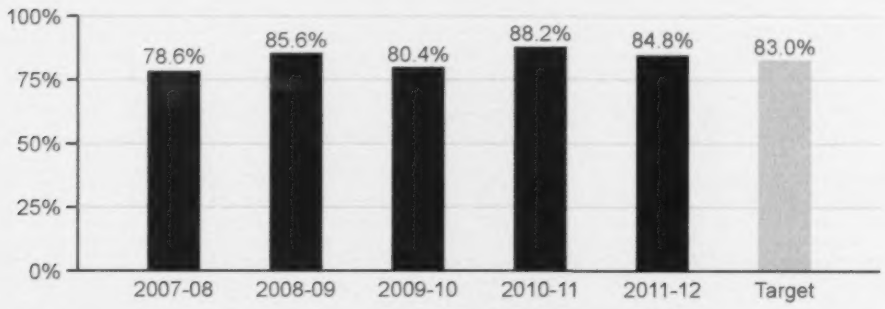
DID YOU KNOW?

More than 110,000 Albertans logged a total of 3.1 million minutes on Winter Walk Day on February 8. The day is an annual event encouraging Albertans to walk outdoors for a minimum of 15 minutes.

Eleven Alberta government ministries were involved in developing the *Active Alberta* policy. The ministry also hosted a series of consultations with many stakeholder groups from the recreation, active living and sport sector. These ministries and stakeholder groups, including educational institutions, nonprofit organizations and the private sector, will continue to work together to develop an implementation plan. For example, the ministry collaborated with the Ministry of Education to initiate the development of an After School Time Period Framework, which is a key strategic priority of the *Active Alberta* policy. The ministry also initiated the development of a new Sport Tourism Events Program, which will develop a coordinated and collaborative approach between sport and tourism, in order to grow and enhance sport events hosted in Alberta.

Performance Measures

3.a Percentage of adult Albertans who participated in recreational activities and sport



Source: Tourism, Parks and Recreation Survey of Albertans

Description

This measure indicates adult Albertans' participation in recreational activities and sport in the past year. Albertans were asked if they had participated in activities such as walking, bicycling, skiing, golfing, skating, swimming and amateur sports.

Results

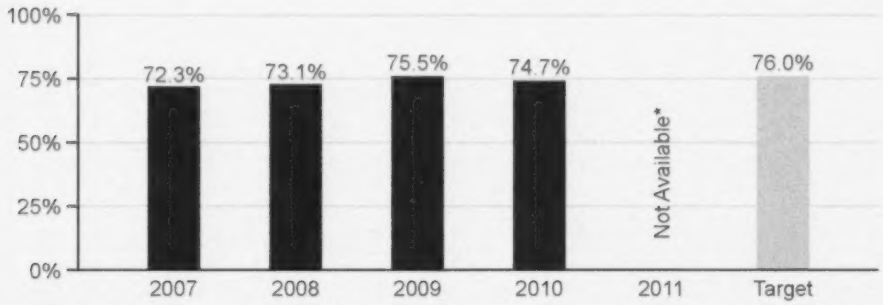
In 2011-12, 84.8 per cent of adult Albertans participated in recreational activities and sport, exceeding the target by 1.8 per cent.

Analysis

The 2011-12 result is 3.4 per cent less than last year's result which was the highest since 2000-01. Last year's result was thought to be influenced by the residual impact of the 2010 Winter Olympic and Paralympic Games held in British Columbia. Results for 2011-12 may be affected by personal lifestyle choices (e.g., time spent on the Internet or watching television), leisure time available, the disposable income Albertans have to spend on recreation and sport activities, and media reporting on the importance of living an active, healthy lifestyle. The main motivators reported to increase physical activity are more free time or less work (26.2 per cent) and increased motivation or enthusiasm (18.8 per cent).

Events that may have contributed to the high level of participation in 2011-12 include the International Ski Federation Alpine Ski World Cup, Arctic Winter Games, Western Canada Summer Games, Alberta Winter Games and Alberta 55 Plus Summer Games. In addition, the ministry is continuing to partner with provincial recreation, active living and sport organizations who provide significant opportunities for adolescents in communities and schools to enjoy active, healthy lifestyles. The ministry supports programs that promote active healthy living in communities and schools, creates opportunities for under-represented populations (e.g., girls, women, First Nations, Métis and Inuit persons, people with disabilities and economically disadvantaged youth) and encourages lifelong participation in recreation, active living and sport.

3.b Percentage of Albertans age 12-19 who are active or moderately active in their leisure time



Source: Statistics Canada: Canadian Community Health Survey

* The Canadian Community Health Survey used for monitoring the physical activity levels of youth is released by Statistics Canada near the end of June. The online version of this report will be updated when available.

Description

This measure indicates the percentage of Albertans age 12 to 19 years that are active or moderately active in their leisure time. Albertans were asked if they had participated in a recreational activity such as walking or riding a bike. The result is based on a combination of questions related to the type, frequency and duration of each of the identified activities.

Results

The 2011 result was not available at the time of printing.

Analysis

In 2010 (the latest data available), 74.7 per cent of Albertans age 12 to 19 were active or moderately active in their leisure time; 79.0 per cent for males and 70.2 per cent for females. Alberta remains the fourth most active of the provinces and territories (after Nova Scotia, Yukon, and British Columbia).

Results may be affected by an individual's lifestyle choice between sedentary activities (e.g., browsing the Internet, playing computer games) and physical activities (e.g., walking, riding a bike). Other factors that influence the results include level of education, parental and household characteristics, and socio-economic status of Albertans (e.g., the disposable income to spend on recreation and sport activities, admission fees and charges for facilities or programs). It is also necessary to consider emerging trends of youth culture such as social networking and incorporate them into the promotion of recreation, active living, sport programs and services.

Financial Analysis (millions of dollars)

RESULTS OF OPERATIONS
For the Year Ending March 31, 2012
2011-12 Financial Analysis

	Budget	Actual	Difference	Explanation
Total Revenue	$16.1	$17.5	($1.4)	Unbudgeted increases in Travel Alberta revenues ($1.8 million), other miscellaneous revenue ($0.7 million) and Transfers from the Government of Canada ($0.1 million); offset by lower than anticipated donations ($0.6 million), sales ($0.2 million) and refunds of expenses ($0.4 million).
Expenses Operating	164.1	176.7	(12.6)	Support to the Calgary Stampede 2012 Centennial Celebration ($5 million), Travel Alberta utilization of unbudgeted revenue and a portion of corporation's contingency fund ($7.8 million), and an unbudgeted manpower settlement ($1.2 million); offset by unused amortization expense ($1.5 million).
Statutory	0.1	0.0	0.1	Lower than budgeted change to vacation and banked overtime liability.
Equipment/Inventory Purchases	1.2	1.2	0.0	Spending as per plan.
Capital Investment	12.4	13.7	(1.3)	Additional spending on provincial park maintenance and renewal ($1.1 million) and the Canmore Visitor Centre and Field Visitor Information Centre renovations ($0.2 million).
Total Expenses	$177.8	$191.6	($13.8)	

Revenue Highlights (millions of dollars)

	2012 Budget	2012 Actual	2011 Actual (restated)*
Transfers from the Government of Canada	0.4	0.5	3.8
Investment Income	0.6	0.6	0.6
Premiums, Fees and Licences	10.5	10.5	8.9
Other Revenue	4.6	5.9	5.7
Total Revenue	$16.1	$17.5	$19.0

* Please see details in the ministry's Consolidated Financial Statements.

Total Revenue for the ministry in 2011-12 was $17.5 million, which is a decrease of $1.5 million from the previous year.

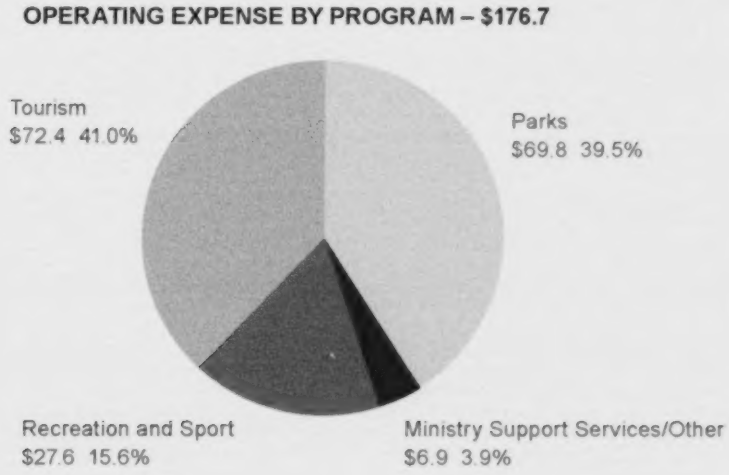
Short term federal transfers to help develop the online registration system and various parks beautification projects ended last fiscal year; reducing the Transfers from the Government of Canada by $3.3 million over the previous year.

Premiums, Fees and Licences increased $1.6 million from the prior year due mainly to increased revenue from collection of camping fees at provincial parks.

Other Revenue increased $1.3 million from budget due mainly to additional revenue collected by Travel Alberta Corporation.

The ministry's major source of revenue is generated from park operations through Premiums, Fees and Licences.

Ministry Expense by Program (millions of dollars)



The ministry spent $69.8 million (39.5% of funding) on operations and management of the Alberta provincial parks system. Expenses to develop Alberta as a tourist destination, developing tourism products and marketing the province through Travel Alberta were $72.4 million (41.0% of funding). The Recreation and Sport Development Division spent $27.6 million (15.6% of funding) to promote healthy and active lifestyles. The remainder of the ministry's expenses went to support services and other expenses of $6.9 million (3.9%) to manage the overall ministry.

Capital Investment

The ministry also spent $14.9 million for continued development of the online reservation system, capital maintenance and renewal of parks infrastructure.

Ministry Expense by Function (millions of dollars)

Expense by function identifies the principal purpose for which an operating expense is incurred rather than the activity involved. The basis of reporting is used for inter-provincial comparisons and for determining federal funding eligibility.

The function Agriculture, Resource Management and Economic Development includes expenses related to the development and promotion of agriculture and other sectors of the economy such as tourism promotion. The function Recreation and Culture includes expenses incurred in the delivery of programs and services to promote leisure activities.

	2012 Budget	2012 Actual	2011 Actual (restated)*
Agriculture, Resource Management and Economic Development	$61.3	$73.7	$65.5
Recreation and Culture	102.9	102.9	100.7
Total Expense by Function	$164.2	$176.7	$166.2

* Please see details in the ministry's Consolidated Financial Statements.

Financial Information

INDEX OF FINANCIAL STATEMENTS

Ministry of Tourism, Parks and Recreation	31
Department of Tourism, Parks and Recreation	57
Travel Alberta	85
Alberta Sport, Recreation, Parks and Wildlife Foundation	105

Ministry of Tourism, Parks and Recreation

Consolidated Financial Statements
March 31, 2012

Ministry of Tourism, Parks and Recreation
Consolidated Financial Statements
March 31, 2012

Independent Auditor's Report

Consolidated Statement of Operations

Consolidated Statement of Financial Position

Consolidated Statement of Cash Flows

Notes to the Consolidated Financial Statements

Schedule 1 – Revenues

Schedule 2 – Credit or Recovery

Schedule 3 – Expenses – Directly Incurred Detailed by Object

Schedule 4 – Budget

Schedule 5 – Related Party Transactions

Schedule 6 – Allocated Costs

Schedule 7 – Tangible Capital Assets

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Members of the Legislative Assembly

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of the Ministry of Tourism, Parks and Recreation, which comprise the consolidated statement of financial position as at March 31, 2012, and the consolidated statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Ministry of Tourism, Parks and Recreation as at March 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

June 5, 2012

Edmonton, Alberta

Ministry of Tourism, Parks and Recreation
Consolidated Statement of Operations
Year ended March 31
(in thousands)

	2012		2011
	Budget (Schedule 4)	Actual	Actual Restated (Note 3)
Revenues (Schedules 1 and 2)			
Transfers from the Government of Canada	$ 393	$ 493	$ 3,826
Investment Income	571	629	583
Premiums, Fees and Licences	10,552	10,490	8,915
Other Revenue	4,571	5,871	5,657
	16,087	17,483	18,981
Expenses – Directly Incurred (Note 2(c) and Schedules 3 and 6)			
Ministry Support Services	7,003	6,870	7,485
Tourism	59,905	72,407	64,013
Parks	69,130	69,755	66,809
Recreation and Sport	28,121	27,616	27,879
	164,159	176,648	166,186
Net Operating Results	$ (148,072)	$ (159,165)	$ (147,205)

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Tourism, Parks and Recreation
Consolidated Statement of Financial Position
As at March 31
(in thousands)

	2012	2011 Restated (Note 3)
Assets		
Cash and Cash Equivalents (Note 4)	$ 19,849	$ 24,094
Accounts Receivable, Prepaid Expenses and Inventory (Notes 6 and 7)	900	3,007
	20,749	27,101
Endowment Restricted Cash (Note 9)	426	426
Tangible Capital Assets (Schedule 7)	388,677	392,161
	$ 409,852	$ 419,688
Liabilities		
Accounts Payable and Accrued Liabilities	$ 15,814	$ 18,506
Unearned Revenue	1,712	1,098
	17,526	19,604
Net Assets		
Net Assets at Beginning of Year	400,084	388,343
Net Operating Results	(159,165)	(147,205)
Net Financing Provided from General Revenues (Note 5)	151,407	158,946
Net Assets at End of Year (Note 9)	392,326	400,084
	$ 409,852	$ 419,688

Contractual obligations and contingent liabilities (Notes 10 and 11)

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Tourism, Parks and Recreation
Consolidated Statement of Cash Flows
Year ended March 31
(in thousands)

	2012	2011 Restated (Note 3)
Operating Transactions		
Net Operating Results	$ (159,165)	$ (147,205)
Non-cash Items Included in Net Operating Results		
Amortization	16,719	15,856
Loss on Disposal of Tangible Capital Assets	748	1,547
Valuation Adjustments	99	2
	(141,599)	(129,800)
Decrease in Accounts Receivable, Prepaid Expenses and Inventories	1,783	5,559
Decrease in Accounts Payable and Accrued Liabilities	(2,368)	(262)
Increase in Unearned Revenue	614	117
Cash Applied to Operating Transactions	(141,570)	(124,386)
Capital Transactions		
Acquisition of Tangible Capital Assets	(14,906)	(17,542)
Proceeds on Disposal/Sale of Tangible Capital Assets	(2)	4
Transfers of Tangible Capital Assets	826	(3,691)
Cash Applied to Capital Transactions	(14,082)	(21,229)
Financing Transactions		
Net Financing Provided from General Revenues	151,407	158,946
Increase (Decrease) in Cash and Cash Equivalents	(4,245)	13,331
Cash and Cash Equivalents at Beginning of Year	24,520	11,189
Cash and Cash Equivalents at End of Year	$ 20,275	$ 24,520

The accompanying notes and schedules are part of these consolidated financial statements.

Ministry of Tourism, Parks and Recreation
Notes to the Consolidated Financial Statements
Year ended March 31, 2012

Note 1 Authority and Purpose

The Minister of Tourism, Parks and Recreation has, by the *Government Organization Act* and its regulations, been designated responsible for various Acts. To fulfill these responsibilities, the Minister is responsible for the organizations listed in Note 2(a). The authority under which each organization operates is also listed in Note 2(a). Together these organizations form the Ministry of Tourism, Parks and Recreation (Ministry).

The purpose of the Ministry is to enhance and preserve the quality of life for Albertans. This is done by:

- managing Alberta's provincial parks and protected areas,
- promoting recreational and sport opportunities, and
- facilitating tourism marketing and development.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These consolidated financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Ministry of Tourism, Parks and Recreation. The *Government Accountability Act* defines a Ministry as including the department and any provincial agency and crown-controlled organization for which the Minister is responsible.

These consolidated financial statements include the accounts of the following organizations:

Organization	Authority
Department of Tourism, Parks and Recreation	*Government Organization Act*
Alberta Sport, Recreation, Parks and Wildlife Foundation (Foundation)	*Alberta Sport, Recreation, Parks and Wildlife Foundation Act*
Travel Alberta	*Travel Alberta Act*

All ministries of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of ministries are deposited into the Fund and all cash disbursements made by the ministries are paid from the Fund. Net Financing Provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Consolidation

The accounts of the organizations listed in Note 2(a) above have been consolidated. Revenue and expense transactions, investing and financing transactions, and related asset and liability accounts between the consolidated organizations were eliminated upon consolidation.

(c) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met and a reasonable estimate of the amounts can be made.

Credit or Recovery

Credit or Recovery initiatives provide a basis for authorizing spending. Credits or recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual credit or recovery amounts exceed budget, the Ministry may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses on the program. Schedule 2 discloses information on the Ministry's credit or recovery initiatives.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for the current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and environmental obligations.

Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Ministry operations are not recognized and are disclosed in Schedule 5 and allocated to programs in Schedule 6.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventories held for resale.

Inventories are valued at the lower of cost and net realizable value. Cost is determined on the first in, first out basis.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Assets (continued)

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major system enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the asset is in use.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

Artworks are not recorded as assets. Purchases of artworks are expensed in the period in which the items are acquired. Donations of artworks are reported as revenue and expenses at their fair value when fair value can be reasonably determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Environmental obligations are recorded as liabilities when there is little or no discretion to avoid settlement of the obligation and a reasonable estimate of the amount can be made.

Net Assets/Net Liabilities

Net assets/net liabilities represent the difference between the carrying value of assets held by the Ministry and its liabilities.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(c) Basis of Financial Reporting (continued)

Net Assets/Net Liabilities (continued)

Canadian public sector accounting standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The Ministry operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these consolidated financial statements do not report a net debt indicator.

Endowment funds (Note 9) are considered appropriations from net assets and are reported as net assets. These assets include land and cash which must remain in perpetuity.

An internally restricted fund accounts for funds restricted by the Foundation for either matching non-government contributions, which can only be used for an identified purpose, or for retaining an ongoing funding capability.

Endowment fund accounts for contributions received under various agreements with sponsors and matching funds provided by the Foundation.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Measurement Uncertainty (in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The provision for doubtful accounts is based on an assessment of the collectability of accounts receivable. Environmental obligations are included in accounts payable and accrued liabilities in the amount of $401 (2011 – $1,201) based on management's best estimates that reflect the most probable course of action. Further environmental assessments, changes in environmental legislation or other unanticipated changes may affect these estimates.

Note 3 Government Reorganization/Program Transfer (in thousands)

Enforcement Activities were transferred to the Ministry of Solicitor General and Public Security as a result of a restructuring of government ministries announced on October 12, 2011. Comparatives for 2011 have been restated as if the Ministry had never been assigned these responsibilities. Net assets on March 31, 2010 are made up as follows:

Net assets as previously reported	$ 388,165
Transfer to the Ministry of Solicitor General and Public Security	178
Net assets at March 31, 2010	$ 388,343

Based on an Order in Council (O.C. 24/2012) dated January 20, 2012, the budgetary responsibility for the functional reporting of the Cabinet Policy Committee on Community Development was transferred from the Ministry of Environment and Water to the Ministry (Section 19, subsection (3)). Expenses for 2011 ($194) have been restated as if the Ministry had always been assigned with its current responsibilities.

Note 4 Cash and Cash Equivalents (in thousands)

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to maturity of three years. As at March 31, 2012, securities held by the CCITF have a time-weighted return of 1.3% per annum (2011 – 1.1% per annum).

Cash in the amount of $1,592 (2011 - $1,630) has been externally restricted and $138 (2011 - $140) has been internally restricted and is therefore not available to pay for operating expenses.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 5 Lottery Fund Initiatives

The method of funding the eligible initiatives from the lottery and gaming proceeds was changed during the year. Previously, they were funded directly from the Lottery Fund and were included in the Department's revenues (2011- $23,279). However, such proceeds are now deposited into the General Revenue Fund to finance the eligible initiatives. Financial statements for prior years have been restated as if the current arrangement had always existed.

Note 6 Accounts Receivable (in thousands)

	2012			2011
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 840	$ 10	$ 830	$ 2,939

Accounts receivable are unsecured and non-interest bearing.

Note 7 Prepaid Expenses and Inventory (in thousands)

	2012	2011
Inventory	18	30
Prepaid Expenses	52	38
	$ 70	$ 68

Note 8 Artworks (in thousands)

The Ministry has a collection of artworks consisting of 19 (2011 - 19) prints of the Waterfowl of North America Collection #1250 with an approximate value of $5 (2011 - $5). There were no artwork dispositions (2011 – Nil) or acquisitions (2011– Nil) during the year.

Note 9 Net Assets (in thousands)

	2012	2011 Restated (Note 3)
Unrestricted Funds	$ 387,911	$ 395,644
Endowment Funds[a]	2,476	2,476
Internally Restricted Funds[b]	1,939	1,964
	$ 392,326	$ 400,084

(a) Endowment Funds includes land in the amount of $2,050 (2011 - $2,050) and cash in the amount of $426 (2011 - $426)

(b) Internally Restricted Funds including buildings in the amount of $209 (2011 - $194) and cash in the amount of $1,730 (2011 - $1,770).

Note 10 Contractual Obligations (in thousands)

Contractual obligations are obligations of the Ministry to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2012	2011
Obligations Under Operating Leases, Contracts and Programs		
Capital Construction Contracts	$ 3,444	$ 3,300
Grant Agreements	3,110	7,318
Operating Leases	8,051	7,748
Service Contracts	40,406	28,537
	$ 55,011	$ 46,903

Note 10 Contractual Obligations (in thousands) (continued)

Estimated payment requirements for obligations under operating leases, contracts and programs for the next five years and thereafter are as follows:

Obligation Under Operating Leases, Contracts and Programs

	Total
2012 - 2013	$ 29,677
2013 - 2014	16,750
2014 - 2015	2,763
2015 - 2016	1,620
2016 - 2017	1,104
Thereafter	3,097
	$ 55,011

Note 11 Contingent Liabilities (in thousands)

At March 31, 2012 the Ministry is a defendant in four legal claims (2011 - four legal claims). One of these claims has a specified amount totalling $100 and the remaining three have no specified amounts (2011 – three claims with specified amounts of $493 and one with no specified amount). These claims are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Note 12 Trust Funds (in thousands)

Under Administration

The Ministry administers a trust fund that is a regulated fund consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the fund and administers it for the purposes of various trusts, it is not included in the Ministry's consolidated financial statements.

At March 31, 2012, trust funds under administration were as follows:

	2012	2011
Parks General Trust and Performance Deposits	$ 941	$ 893

Note 12 Trust Funds (in thousands) (continued)

In addition to the above trust funds under administration, the Ministry holds bank guarantees in the form of letters of credit in the amount of $22,770 (2011 – $44,333).

Other

The Foundation is the beneficiary of a trust fund that is administered by the Royal Trust Corporation of Canada over which the Foundation has no power of administration or appropriation. Because the Province has no equity in the fund and is only the beneficiary of the income portion of the fund, it is not included in the Ministry's consolidated financial statements.

At March 31, 2012 the trust fund was as follows:

	2012	2011
Peaceful Valley Trust	$ 2,076	$ $1,761

The income generated from the trust fund is only recognized at the time of withdrawal. The funds are restricted and are to be used for the maintenance or expansion of Peaceful Valley.

Note 13 Benefit Plans (in thousands)

The Ministry participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of $4,430 for the year ended March 31, 2012 (2011 - $3,368).

At December 31, 2011 the Management Employees Pension Plan reported a deficiency of $517,726 (2010 – deficiency $397,087) and the Public Service Pension Plan reported a deficiency of $1,790,383 (2010 – deficiency $2,067,151). At December 31, 2011 the Supplementary Retirement Plan for Public Service Managers had a deficiency of $53,489 (2010 – deficiency $39,559).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2012, the Bargaining Unit Plan reported an actuarial surplus of $9,136 (2011 – deficiency $4,141) and the Management, Opted Out and Excluded Plan an actuarial surplus of $10,454 (2011 – surplus $7,020). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 14 Comparative Figures

Certain 2011 figures have been reclassified to conform to the 2012 presentation.

Note 15 Approval of Consolidated Financial Statements

The consolidated financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements – Schedule 1
Revenues
Year ended March 31
(in thousands)

	2012		2011
	Budget	Actual	Actual
Transfers from the Government of Canada	$ 393	$ 493	$ 3,826
Investment Income	571	629	583
Premiums, Fees and Licences			
Camping Fees	8,557	8,048	6,635
Lands and Grazing	1,395	1,320	1,184
Other	600	1,122	1,096
	10,552	10,490	8,915
Other Revenue			
Donations	1,630	1,028	982
Gain on Sale of Tangible Capital Assets	-	7	-
Miscellaneous	2,249	4,750	4,372
Refunds of Expenses	210	(192)	(46)
Sales	482	278	349
	4,571	5,871	5,657
Total Revenues	$ 16,087	$ 17,483	$ 18,981

Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements – Schedule 2
Credit or Recovery
Year ended March 31
(in thousands)

	2012		
	Authorized	Actual[a]	Excess
Parks Operations[b]	$ 10,601	$ 11,371	$ 770
Park Infrastructure Management[c]	1,985	2,029	44
	$ 12,586	$ 13,400	$ 814

(a) Revenues from credit or recovery initiatives are included in the Ministry's revenues in the Consolidated Statement of Operations and Schedule 1.

(b) Parks collects various fees and other revenues through the *Parks Act* that are used to partially offset the cost of providing services. These include fees for the use of campgrounds, park facilities and lands, heritage appreciation services (e.g. interpretive bus tours), as well as contributions, sponsorships, donations, grants and payments by corporations, private sector operators, foundations, individuals and others.

(c) Parks collects a levy for facility redevelopment within fees charged for use of campgrounds and park facilities through the *Parks Act*, as well as contributions, sponsorships, donations, grants and payments by corporations, private sector operators, foundations, individuals and others. This revenue is then used to manage infrastructure within provincial parks.

Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements – Schedule 3
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(in thousands)

	2012		2011
	Budget	Actual	Actual Restated (Note 3)
Salaries, Wages and Employee Benefits	$ 56,424	$ 52,601	$ 48,788
Supplies and Services	59,188	68,645	66,204
Supplies and Services from Support Service Arrangements with Related Parties[a]	1,538	3,054	1,941
Grants	29,917	36,091	33,088
Financial Transactions and Other	98	884	1,665
Amortization of Tangible Capital Assets	18,292	16,719	15,856
Total Expenses before Recoveries	165,457	177,994	167,542
Less Recovery from Support Service Arrangements with Related Parties[b]	(1,298)	(1,346)	(1,356)
	$ 164,159	$ 176,648	$ 166,186

[a] The Ministry received Freedom of Information and Protection of Privacy services from the Ministry of Finance; revenue services from the Ministry of Energy; and Human Resources, Policy, Planning and Legislative services from the Ministry of Culture and Community Services.

[b] The Ministry provided Information Management and Technology services to the Ministry of Culture and Community Services. Costs incurred by the Ministry for these services were recovered from the Ministry of Culture and Community Services.

Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements – Schedule 4
Budget
Year ended March 31
(in thousands)

	2011-12 Estimates	Adjustment	2011-12 Budget	Authorized Supplementary		2011-12 Authorized Budget
Revenues						
Transfers from the Government of Canada	$ 393	$ -	$ 393	$ 95	(a)	$ 488
Investment Income	571	-	571	39	(b)	610
Premiums, Fees and Licences	10,552	-	10,552	(17)	(c)	10,535
Other Revenue	4,571	-	4,571	(286)	(d)	4,285
	16,087	-	16,087	(169)		15,918
Expenses – Directly Incurred						
Ministry Support Services	7,003	-	7,003	220	(e)	7,223
Tourism	59,905	-	59,905	12,861	(f)	72,766
Parks	69,130	-	69,130	1,580	(g)	70,710
Recreation and Sport	28,121	-	28,121	(253)	(h)	27,868
	164,159	-	164,159	14,408		178,567
Net Operating Results	$ (148,072)	$ -	$ (148,072)	$ (14,577)		$ (162,649)
Capital Investment	$ 13,582	$ -	$ 13,582	$ 3,636	(i)	$ 17,218

Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements – Schedule 4 (continued)
Budget
Year ended March 31
(in thousands)

(a) Increase in funding of $95 from Government of Canada for the Alberta Sport, Recreation, Parks and Wildlife Foundation.
(b) Increase in investment income of $134 for Travel Alberta Corporation; and decrease in investment income of $95 for the Alberta Sport, Recreation, Parks and Wildlife Foundation.
(c) Decrease in registration fees of $17 due to decreased participation for the Alberta Sport, Recreation, Parks and Wildlife Foundation.
(d) Reduction in donation revenue of $82 for the Alberta Sport, Recreation, Parks and Wildlife Foundation; and decrease in revenue of $204 due to lower usage of Percy Page Print Centre in Alberta Sport, Recreation, Parks and Wildlife Foundation.
(e) Treasury Board approved on January 18, 2012 an increase of $1,320 for the union agreement manpower increases.
(f) Treasury Board approved on July 26, 2011 an increase in funding of $5,000 for support to the Calgary Stampede 2012 Centennial celebration; and an increase of $8,261 in operating expense within Travel Alberta, utilizing its contingency fund. On January 18, 2012, Treasury Board approved the transfer of $400 from operating expense to capital investment to provide expanded parking at Canmore Visitor Information Centre.
(g) Treasury Board approved on June 1, 2011 an increase of $150 for planning and development work related to the Plan for Parks. On July 26, 2011, Treasury Board approved an increase of $250 in planning funds for Glenbow Ranch Provincial Park for access and connections, and an increase of $200 for for Glenbow Ranch Provincial Park facilities and services. On January 18, 2012, Treasury Board approved an increase of $1,320 for the union agreement manpower increases.
(h) Reduction in operating expense of $520 for Alberta Sport, Recreation, Parks and Wildlife Foundation to cover capital land donation from Candou Industries; and reduction of $303 in operating expense for Alberta Sport, Recreation, Parks and Wildlife Foundation due to lower revenues than expected. Treasury Board approved on June 20, 2011 a supplementary estimate of $450 to support the City of Edmonton hosting events as part of the 2015 FIFA Women's World Cup. On January 18, 2012, Treasury Board approved an increase of $1,320 for the union agreement manpower increases.
(i) Reduction in operating expense of $520 for Alberta Sport, Recreation, Parks and Wildlife Foundation to cover capital land donation from Candou Industries. Treasury Board approved on July 26, 2011 the capital investment carryover of $1,440 for Canmore Visitor Centre and Field Visitor Information Centre renovations, as well as $1,276 for provincial parks maintenance and renewal. On January 18, 2012, Treasury Board approved the transfer of $400 from operating expense to capital investment to provide expanded parking at Canmore Visitor Information Centre.

Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements – Schedule 5
Related Party Transactions
Year ended March 31
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Ministry had the following transactions with related parties recorded on the Consolidated Statement of Operations and the Consolidated Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2012	2011
Other Revenue	$ 30	$ -
Expenses – Directly Incurred		
Grants	$ 2,025	$ 1,699
Other Services	2,921	2,586
	$ 4,946	$ 4,285
Accounts Receivable	$ 20	$ 499
Accounts Payable	$ 12	$ -
Tangible Capital Assets Transferred In (Out)	$ (871)	$ 3,691

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the consolidated financial statements but are disclosed in Schedule 6.

	Other Entities	
	2012	2011
Expenses – Incurred by Others		
Accommodation Costs	$ 6,688	$ 6,382
Legal Services	728	355
Other Services	3,381	2,822
Parks Maintenance	1,085	1,090
	$ 11,882	$ 10,649

Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements - Schedule 6
Allocated Costs
Year ended March 31
(in thousands)

	2012						2011
		Expenses – Incurred by Others					Restated (Note 3)
Program	Expenses [a]	Accommodation Costs [b]	Legal Services [c]	Other Services [d]	Parks Maintenance [e]	Total Expenses	Total Expenses
Ministry Support Services	$ 6,870	$ 531	$ 41	$ 560	$ -	$ 8,002	$ 8,270
Tourism	72,407	1,293	5	185	-	73,890	75,320
Parks	69,755	3,381	673	1,954	1,085	76,848	73,129
Recreation and Sport	27,616	1,483	9	682	-	29,790	26,119
	$ 176,648	$ 6,688	$ 728	$ 3,381	$ 1,085	$ 188,530	$ 182,838

[a] Expenses – Directly Incurred as per Consolidated Statement of Operations, excluding valuation adjustments.
[b] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 5, allocated by square footage.
[c] Costs shown for Legal Services on Schedule 5, allocated by estimated costs incurred by each program.
[d] Costs shown for Other Services on Schedule 5, allocated by estimated costs incurred by each program.
[e] The Ministry of Transportation provided road and bridge maintenance to Parks. Costs shown for Parks Maintenance on Schedule 5, allocated to the program.

Ministry of Tourism, Parks and Recreation
Schedule to the Consolidated Financial Statements - Schedule 7
Tangible Capital Assets
Year ended March 31
(in thousands)

	2012									2011
	General Capital Assets					Infrastructure Assets				
	Land[a]	Buildings[b]	Computer Hardware and Software	Equipment[c]	Other and Leasehold Improvements	Bridges	Highways and Roads	Land Improvements	Total	Total
Estimated Useful Life	Indefinite	10-50 years	5-8 years	3-25 years	10-20 years	60 years	50 years	40 years		
Historical Cost [d]										
Beginning of Year	$ 125,394	$ 186,616	$ 18,941	$ 32,275	$ 19,673	$ 3,230	$ 67,354	$ 196,434	$ 649,917	$ 631,908
Additions	-	4,955	1,519	2,623	(364)	-	(38)	6,211	14,906	17,542
Disposals, Including Write-Downs	-	(1,994)	(88)	(411)	-	-	(2)	(150)	(2,645)	(3,226)
Transfers to (from) Ministry	-	(997)	104	22	-	-	-	-	(871)	3,693
	$ 125,394	$ 188,580	$ 20,476	$ 34,509	$ 19,309	$ 3,230	$ 67,314	$ 202,495	$ 661,307	$ 649,917
Accumulated Amortization										
Beginning of Year	$ -	$ 82,624	$ 3,290	$ 16,394	$ 16,312	$ 1,054	$ 40,234	$ 97,848	$ 257,756	$ 243,573
Amortization Expense	-	5,161	2,365	2,287	180	48	1,894	4,784	16,719	15,856
Effect of Disposals	-	(1,435)	(86)	(362)	-	-	-	(7)	(1,890)	(1,675)
Effect of Transfer to (from) Ministry	-	26	-	19	-	-	-	-	45	2
	$ -	$ 86,376	$ 5,569	$ 18,338	$ 16,492	$ 1,102	$ 42,128	$ 102,625	$ 272,630	$ 257,756
Net Book Value at March 31, 2012	$ 125,394	$ 102,204	$ 14,907	$ 16,171	$ 2,817	$ 2,128	$ 25,186	$ 99,870	$ 388,677	
Net Book Value at March 31, 2011	$ 125,394	$ 103,992	$ 15,651	$ 15,881	$ 3,361	$ 2,176	$ 27,120	$ 98,586		$ 392,161

[a] Land includes endowments $2,050 (2011 - $2,050).
[b] Buildings include internally restricted buildings $194 (2011 - $190).
[c] Equipment includes network switches and routers, vehicles, heavy equipment, fire protection equipment, office equipment and furniture, and other equipment.
[d] Historical cost includes work-in-progress at March 31, 2012 totaling $25,306 (2011 - $64,962) comprised of: buildings $10,570 (2011 - $27,048); computer hardware and software $3,214 (2011 - $13,348); equipment $748 (2011 - $2,032); other $390 (2011 – $2,500); land improvements $9,974 (2011 - $19,083); highways $394 (2011 – $935) and bridges $16 (2011 - $16).

Department of Tourism, Parks and Recreation

Financial Statements
March 31, 2012

Department of Tourism, Parks and Recreation
Financial Statements
March 31, 2012

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Revenues

Schedule 2 – Credit or Recovery

Schedule 3 – Expenses – Directly Incurred Detailed by Object

Schedule 4 – Budget

Schedule 5 – Comparison of Directly Incurred Expense, Capital Investment, and Non-Budgetary Disbursements by Element to Authorized Spending

Schedule 6 – Lottery Fund Estimates

Schedule 7 – Salary and Benefits Disclosure

Schedule 8 – Related Party Transactions

Schedule 9 – Allocated Costs

Schedule 10 – Tangible Capital Assets

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Minister of Tourism, Parks and Recreation

Report on the Financial Statements

I have audited the accompanying financial statements of the Department of Tourism, Parks and Recreation, which comprise the statement of financial position as at March 31, 2012, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Tourism, Parks and Recreation as at March 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

June 5, 2012

Edmonton, Alberta

Department of Tourism, Parks and Recreation
Statement of Operations
Year ended March 31
(in thousands)

	2012		2011
			Restated (Note 3)
	Budget (Schedule 4)	Actual	Actual
Revenues (Schedules 1 and 2)			
Transfers from the Government of Canada	$ 15	$ 22	$ 3,352
Investment Income	-	1	-
Premiums, Fees and Licences	10,322	10,055	8,551
Other Revenue	2,459	3,166	3,324
	12,796	13,244	15,227
Expenses – Directly Incurred (Note 2(b) and Schedule 9)			
Program (Schedules 3 and 5)			
Ministry Support Services	7,003	6,870	7,485
Tourism	59,374	63,996	73,907
Parks	69,130	69,755	66,809
Recreation and Sport	25,114	25,567	25,800
	160,621	166,188	174,001
Net Operating Results	$ (147,825)	$ (152,944)	$ (158,774)

The accompanying notes and schedules are part of these financial statements.

Department of Tourism, Parks and Recreation
Statement of Financial Position
As at March 31
(in thousands)

	2012	2011 Restated (Note 3)
Assets		
Cash	$ 1,769	$ 996
Accounts Receivable (Note 5)	985	2,520
	2,754	3,516
Tangible Capital Assets (Schedule 10)	385,802	389,347
	$ 388,556	$ 392,863
Liabilities		
Accounts Payable and Accrued Liabilities	$ 10,494	$ 13,915
Unearned Revenue	1,712	1,061
	12,206	14,976
Net Assets		
Net Assets at Beginning of Year	377,887	377,715
Net Operating Results	(152,944)	(158,774)
Net Financing Provided from General Revenues (Note 4)	151,407	158,946
Net Assets at End of Year	376,350	377,887
	$ 388,556	$ 392,863

Contractual obligations and contingent liabilities (Notes 6 and 7).

The accompanying notes and schedules are part of these financial statements.

Department Tourism, Parks and Recreation
Statement of Cash Flows
Year ended March 31
(in thousands)

	2012	2011 Restated (Note 3)
Operating Transactions		
Net Operating Results	$ (152,944)	$ (158,774)
Non-cash Items Included in Net Operating Results		
Loss on Disposal of Tangible Capital Assets	748	1,457
Amortization	16,600	15,731
Valuation Adjustments	99	2
	(135,497)	(141,584)
Decrease in Accounts Receivable	1,535	4,625
Decrease in Accounts Payable and Accrued Liabilities	(3,421)	(921)
Increase in Unearned Revenue	651	80
Cash Applied to Operating Transactions	(136,732)	(137,800)
Capital Transactions		
Acquisition of Tangible Capital Assets	(14,726)	(17,344)
Proceeds on Disposal/Sale of Tangible Capital Assets	(2)	4
Transfers of Tangible Capital Assets	826	(3,691)
Cash Applied to Capital Transactions	(13,902)	(21,031)
Financing Transactions		
Net Financing Provided from General Revenues	151,407	158,946
Increase in Cash	773	115
Cash at Beginning of Year	996	881
Cash at End of Year	$ 1,769	$ 996

The accompanying notes and schedules are part of these financial statements.

Department of Tourism, Parks and Recreation
Notes to the Financial Statements
Year ended March 31, 2012

Note 1 Authority and Purpose

The Department of Tourism, Parks and Recreation (Department) operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Department is to enhance and preserve the quality of life for Albertans. This is done by:

- managing Alberta's provincial parks and protected areas,
- promoting recreational and sport opportunities, and
- facilitating tourism marketing and development.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Department of Tourism, Parks and Recreation, which is part of the Ministry of Tourism, Parks and Recreation (Ministry) and for which the Minister of Tourism, Parks and Recreation is accountable. The other entities reporting to the Minister are the Alberta Sport, Recreation, Parks and Wildlife Foundation and Travel Alberta. The activities of these organizations are not included in these financial statements. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing Provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Credit or Recovery

Credit or Recovery initiatives provide a basis for authorizing spending. Credits or recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual credit or recovery amounts exceed budget, the Department may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses of the program. Schedule 2 discloses information on the Department's credit or recovery initiatives.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for the current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and environmental obligations.

Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Department operations are not recognized and are disclosed in Schedule 8 and allocated to programs in Schedule 9.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Assets (continued)

Assets acquired by right are not included. Tangible capital assets of the Department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major system enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the asset is in use.

When tangible capital assets are gifted or sold for a nominal sum, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Environmental obligations are recorded as liabilities when there is little or no discretion to avoid settlement of the obligation and a reasonable estimate of the amount can be made.

Net Assets/Net Liabilities

Net assets/net liabilities represent the difference between the carrying value of assets held by the Department and its liabilities.

Canadian public sector accounting standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The Department operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Measurement Uncertainty (in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The provision for doubtful accounts is recorded based on an assessment of collectability of accounts receivable. Environmental obligations are included in accounts payable and accrued liabilities in the amount of $401 (2011 – $1,201) based on management's best estimates that reflect the most probable course of action. Further environmental assessments, changes in environmental legislation or other unanticipated changes may affect these estimates.

Note 3 Government Reorganization/Program Transfer (in thousands)

Enforcement Activities were transferred to the Department of Solicitor General and Public Security as a result of a restructuring of government ministries announced on October 12, 2011. Comparatives for 2011 have been restated as if the Department had never been assigned these responsibilities. Net assets on March 31, 2010 are made up as follows:

Net assets as previously reported	$ 377,537
Transfer to the Department of Solicitor General and Public Security	178
Net assets at March 31, 2010	$ 377,715

Based on an Order in Council (O.C. 24/2012) dated January 20, 2012, the budgetary responsibility for the functional reporting of the Cabinet Policy Committee on Community Development was transferred from the Department of Environment and Water to the Department (Section 19, subsection (3)). Expenses for 2011 ($194) have been restated as if the Department had always been assigned with its current responsibilities.

Note 4 Lottery Fund Initiatives

The method of funding the eligible initiatives from the lottery and gaming proceeds was changed during the year. Previously, they were funded directly from the Lottery Fund and were included in the Department's revenues (2011- $23,279). However, such proceeds are now deposited into the General Revenue Fund to finance the eligible initiatives. Financial statements for prior years have been restated as if the current arrangement had always existed. Schedule 6 provides a comparison of estimates and actual expenses for Lottery Fund initiatives.

Note 5 Accounts Receivable (in thousands)

	2012			2011
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 995	$ 10	$ 985	$ 2,520

Accounts receivable are unsecured and non-interest bearing.

Note 6 Contractual Obligations (in thousands)

Contractual obligations are obligations of the Department to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2012	2011
Obligations Under Operating Leases, Contracts and Programs		
Capital Construction Contracts	$ 3,444	$ 3,300
Grant Agreements	2,910	-
Operating Leases	112	13
Service Contracts	10,576	12,745
	$ 17,042	$ 16,058

Estimated payment requirements for obligations under operating leases, contracts and programs for the next five years and thereafter are as follows:

Obligation Under Operating Leases, Contracts and Programs

	Total
2012 - 2013	$ 11,961
2013 - 2014	2,883
2014 - 2015	1,304
2015 - 2016	662
2016 - 2017	122
Thereafter	110
	$ 17,042

Note 7 Contingent Liabilities (in thousands)

At March 31, 2012 the Department is a defendant in four legal claims (2011 - four legal claims). One of these claims has a specified amount totalling $100 and the remaining three have no specified amounts (2011 – three claims with specified amounts of $493 and one with no specified amount). These claims are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Note 8 Trust Funds Under Administration (in thousands)

The Department administers a trust fund that is a regulated fund consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the fund and administers it for the purposes of various trusts, it is not included in the Department's financial statements.

At March 31, 2012 trust funds under administration were as follows:

	2012	2011
Parks General Trust and Performance Deposits	$ 941	$ 893

In addition to the above trust fund under administration, the Department holds bank guarantees in the form of letters of credit in the amount of $22,770 (2011 – $44,333).

Note 9 Benefit Plans (in thousands)

The Department participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of $3,603 for the year ended March 31, 2012 (2011 - $3,368).

At December 31, 2011 the Management Employees Pension Plan reported a deficiency of $517,726 (2010 – deficiency $397,087) and the Public Service Pension Plan reported a deficiency of $1,790,383 (2010 – deficiency $2,067,151). At December 31, 2011 the Supplementary Retirement Plan for Public Service Managers had a deficiency of $53,489 (2010 – deficiency $39,559).

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2012, the Bargaining Unit Plan reported an actuarial surplus of $9,136 (2011 – deficiency $4,141) and the Management, Opted Out and Excluded Plan an actuarial surplus of $10,454 (2011 – surplus $7,020). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 10 Comparative Figures

Certain 2011 figures have been reclassified to conform to the 2012 presentation.

Note 11 Approval of Financial Statements

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 1
Revenues
Year ended March 31
(in thousands)

	2012		2011
	Budget	Actual	Actual
Transfers from the Government of Canada	$ 15	$ 22	$ 3,352
Investment Income	-	1	-
Premiums, Fees and Licences			
Camping Fees	6,942	8,048	6,635
Lands and Grazing	1,395	1,320	1,184
Other	1,985	687	732
	10,322	10,055	8,551
Other Revenue			
Donations	-	8	-
Gain on Sale of Tangible Capital Assets	-	7	-
Miscellaneous	2,249	3,344	3,391
Refunds of Expenses	210	(211)	(110)
Sales	-	18	43
	2,459	3,166	3,324
Total Revenues	$ 12,796	$ 13,244	$ 15,227

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 2
Credit or Recovery
Year ended March 31
(in thousands)

	2012		
	Authorized	Actual[a]	Excess
Parks Operations[b]	$ 10,601	$ 11,371	$ 770
Park Infrastructure Management[c]	1,985	2,029	44
	$ 12,586	$ 13,400	$ 814

(a) Revenues from credit or recovery initiatives are included in the Department's revenues in the Statement of Operations and Schedule 1.

(b) Parks collects various fees and other revenues through the *Parks Act* that are used to partially offset the cost of providing services. These include fees for the use of campgrounds, park facilities and lands, heritage appreciation services (e.g. interpretive bus tours), as well as contributions, sponsorships, donations, grants and payments by corporations, private sector operators, foundations, individuals and others.

(c) Parks collects a levy for facility redevelopment within fees charged for use of campgrounds and park facilities through the *Parks Act*, as well as contributions, sponsorships, donations, grants and payments by corporations, private sector operators, foundations, individuals and others. This revenue is then used to manage infrastructure within provincial parks.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 3
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(in thousands)

	2012		2011
	Budget	Actual	Restated (Note 3) Actual
Salaries, Wages and Employee Benefits	$ 49,098	$ 45,596	$ 43,813
Supplies and Services	23,806	25,039	27,335
Supplies and Services from Support Service Arrangements with Related Parties[a]	1,538	3,054	1,941
Grants	72,261	79,306	87,931
Financial Transactions and Other	98	866	1,560
Amortization of Tangible Capital Assets	18,045	16,600	15,731
Total Expenses before Recoveries	164,846	170,461	178,311
Less Recovery from Support Service Arrangements with Related Parties[b]	(4,225)	(4,273)	(4,310)
	$ 160,621	$ 166,188	$ 174,001

[a] The Department received Freedom of Information and Protection of Privacy services from the Department of Finance; and Human Resources, Policy, Planning and Legislative services from the Department of Culture and Community Services.

[b] The Department provided financial and administrative services to the Alberta Sport, Recreation, Parks and Wildlife Foundation of the Ministry of Tourism, Parks and Recreation, and Information Management and Technology services to the Department of Culture and Community Services. Costs incurred by the Department for these services were recovered from the Alberta Sport, Recreation, Parks and Wildlife Foundation and the Department of Culture and Community Services.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 4
Budget
Year ended March 31
(in thousands)

	2011-12 Estimates	Adjustment	2011-12 Budget	Authorized Supplementary		2011-12 Authorized Budget
Revenues						
Transfers from the Government of Canada	$ 15	$ -	$ 15	$ -		$ 15
Premiums, Fees and Licences	10,322	-	10,322	-		10,322
Other Revenue	2,459	-	2,459	-		2,459
	12,796	-	12,796	-		12,796
Expenses – Directly Incurred						
Ministry Support Services	7,003	-	7,003	220	(a)	7,223
Tourism	59,374	-	59,374	4,600	(b), (c)	63,974
Parks	69,130	-	69,130	1,580	(a), (b)	70,710
Recreation and Sport	25,114	-	25,114	570	(a), (d)	25,684
	160,621	-	160,621	6,970		167,591
Net Operating Results	$ (147,825)	$ -	$ (147,825)	$ (6,970)		$ (154,795)
Capital Investment	$ 13,582	$ -	$ 13,582	$ 3,116	(c), (e)	$ 16,698

(a) Treasury Board approved on January 18, 2012 an increase of $1,320 for the union agreement manpower increase.
(b) Treasury Board approved on June 1, 2011 an increase of $150 for planning and development work related to the Plan for Parks. On July 26, 2011 Treasury Board approved an increase of $250 in planning funds for Glenbow Ranch Provincial Park for access and connections, an increase of $200 for Glenbow Ranch Provincial Park facilities and services; and an increase $5,000 for support to the Calgary Stampede 2012 Centennial celebration.
(c) Treasury Board approved on January 18, 2012 the transfer of $400 from operating expense to capital investment to provide expanded parking at Canmore Visitor Information Centre.
(d) Treasury Board approved on June 20, 2011 a supplementary estimate of $450 to support the City of Edmonton hosting events as part of the 2015 FIFA Women's World Cup.
(e) Treasury Board approved on July 26, 2011 the capital investment carryover of $1,440 for Canmore Visitor Centre and Field Visitor Information Centre renovations, as well as $1,276 for provincial parks maintenance and renewal.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 5
Comparison of Directly Incurred Expense, Capital Investment, and Non-Budgetary Disbursements by Element to Authorized Spending
Year ended March 31
(in thousands)

	2011-12 Estimates	Adjust-ments	2011-12 Budget	Authorized Supple-mentary	2011-12 Authorized Budget	Amounts Not Required To Be Voted	2011-12 Authorized Spending	2011-12 Actual	Unexpended (Over Expended)
Expenses and Capital Investment									
1 Ministry Support Services									
1.0.1 Minister's Office	$ 527	$ -	$ 527	$ 18 [a]	$ 545	$ -	$ 545	$ 534	$ 11
1.0.2 Deputy Minister's Office	640	-	640	30 [a]	670	-	670	667	3
1.0.3 Strategic Corporate Services	5,354	-	5,354	163 [a]	5,517	(394)	5,123	4,937	186
1.0.4 Communications	347	-	347	9 [a]	356	-	356	352	4
1.0.5 Cabinet Policy Committee on Community Development	135	-	135	-	135	-	135	189	(54)
	7,003	-	7,003	220	7,223	(394)	6,829	6,679	150
2 Tourism									
2.0.1 Program Support									
- Expense	600	-	600	-	600	-	600	605	(5)
- Equipment/Inventory Purchases	-	-	-	-	-	-	-	-	-
2.0.2 Tourism Information Services									
-Expense	3,255	-	3,255	(208) [b]	3,047	-	3,047	3,540	(493)
-Equipment/Inventory Purchases	-	-	-	-	-	-	-	-	-
-Capital Investment	-	-	-	1,840 [b] [c]	1,840	-	1,840	177	1,663
2.0.3 Tourism Product Development									
-Expense	3,463	-	3,463	-	3,463	-	3,463	3,086	377
-Equipment/Inventory Purchases		-	-	-	-	-	-	-	-
2.0.4 Online Reservation Service									
-Expense	1,415	-	1,415	-	1,415	-	1,415	1,415	-
2.0.5 Major Athletic Event Tourism Services									-
-Expense	1,000	-	1,000	-	1,000	-	1,000	1,000	-
-Equipment/Inventory Purchases	-	-	-	-	-	-	-	-	-
2.0.6 Tourism Strategy									
-Expense	-	-	-	-	-	-	-	-	-
2.0.7 Tourism Business Development Research and Investment									
-Expense	3,142	-	3,142	4,808 [b] [d]	7,950	-	7,950	7,730	220
2.0.8 Assistance to Travel Alberta									
Expense	46,499	-	46,499	-	46,499	-	46,499	46,499	-
	59,374	-	59,374	6,440	65,814	-	65,814	64,052	1,762

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 5 (continued)
Comparison of Directly Incurred Expense, Capital Investment,
and Non-Budgetary Disbursements by Element to Authorized Spending
Year ended March 31
(in thousands)

	2011-12 Estimates	Adjust-ments	2011-12 Budget	Authorized Supple-mentary	2011-12 Authorized Budget	Amounts Not Required To Be Voted	2011-12 Authorized Spending	2011-12 Actual	Unexpended (Over Expended)
Expenses and Capital Investment									
3 Parks									
3.0.1 Program Support									
-Expense	911	-	911	20 [a]	931	-	931	776	155
3.0.2 Parks Policy and Planning									
-Expense	5,476	-	5,476	150 [a]	5,626	-	5,626	5,215	411
3.0.3 Parks Operations									
-Expense	37,906	-	37,906	745 [a]	38,651	-	38,651	38,923	(272)
-Equipment/Inventory Purchases	220	-	220	-	220	-	220	376	(156)
3.0.4 Parks Infrastructure Management									
-Expense	24,837	-	24,837	665 [a],[e]	25,502	(17,761)	7,741	7,940	(199)
-Equipment/Inventory Purchases	978	-	978	-	978	-	978	785	193
-Capital Investment	12,384	-	12,384	1,276 [c]	13,660	-	13,660	13,388	272
	82,712	-	82,712	2,856	85,568	(17,761)	67,807	67,403	404
4 Recreation and Sport									
4.0.1 Program Support									
-Expense	725	-	725	30 [a]	755	-	755	842	(87)
4.0.2 Recreation and Sport Services									
-Expense	1,110	-	1,110	540 [a],[f]	1,650	-	1,650	1,403	247
4.0.3 Assistance to the Alberta Sport, Recreation, Parks and Wildlife Foundation									
-Expense	-	-	-	-	-	-	-	-	-
Expense funded by Lotteries	23,279	-	23,279	-	23,279	-	23,279	23,279	-
4.0.4 Hosting Major Athletic Events									
-Expense	-	-	-	-	-	-	-	-	-
	25,114	-	25,114	570	25,684	-	25,684	25,524	160
Total Expenses	$ 174,203	$ -	$ 174,203	$ 10,086	$ 184,289	(18,155)	166,134	$ 163,658	$ 2,476

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 5 (continued)
Comparison of Directly Incurred Expense, Capital Investment,
and Non-Budgetary Disbursements by Element to Authorized Spending
Year ended March 31
(in thousands)

	2011-12 Estimates	Adjust-ments	2011-12 Budget	Authorized Supple-mentary	2011-12 Authorized Budget	Amounts Not Required To Be Voted	2011-12 Authorized Spending	2011-12 Actual	Unexpended (Over Expended)
Expenses and Capital Investment									
Expense	$ 137,342	$ -	$ 137,342	$ 6,970	$ 144,312	$ (18,155)	$ 126,157	$ 125,653	$ 504
Expense funded by Lotteries	23,279	-	23,279	-	23,279	-	23,279	23,279	-
Equipment/Inventory Purchases	1,198	-	1,198	-	1,198	-	1,198	1,161	37
	161,819	-	161,819	6,970	168,789	(18,155)	150,634	150,093	541
Capital Investment	12,384	-	12,384	3,116	15,500	-	15,500	13,565	1,935
Total Expenses	$ 174,203	$ -	$ 174,203	$ 10,086	$ 184,289	$ (18,155)	$ 166,134	$ 163,658	$ 2,476

(a) Treasury Board approved on January 18, 2012 an increase of $1,320 for the union agreement manpower increase.
(b) Treasury Board approved on January 18, 2012 the transfer of $400 from operating expense to capital investment to provide expanded parking at Canmore Visitor Information Centre.
(c) Treasury Board approved on July 26, 2011 the capital investment carryover of $1,440 for the Canmore Visitor Centre and Field Visitor Information Centre renovations, as well as $1,276 for provincial parks maintenance and renewal.
(d) Treasury Board approved on July 26, 2011 funding of $5,000 for support to the Calgary Stampede 2012 Centennial celebration.
(e) Treasury Board approved on June 1, 2011 an increase of $150 for planning and development work related to the Plan for Parks. On July 26, 2011, Treasury Board approved an increase of $250 in planning funds for Glenbow Ranch Provincial Park for access and connections, and an increase of $200 for Glenbow Ranch Provincial Park facilities and services.
(f) Treasury Board approved on June 20, 2011 a supplementary estimate of $450 to support the City of Edmonton hosting events as part of the 2015 FIFA Women's World Cup.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 6
Lottery Fund Estimates
Year ended March 31
(in thousands)

	2011-12 Lottery Fund Estimates	2011-12 Actual	Unexpended (Over Expended)
Assistance to Alberta Sport, Recreation, Parks and Wildlife Foundation	$ 23,279	$ 23,279	$ -

The revenue of the Lottery Fund is transferred to the Department of Finance on behalf of the General Revenue Fund. Having been transferred to the General Revenue Fund, these monies then become part of the Department's supply vote. This table shows details of the initiatives within the Department that are funded by the Lottery Fund and compares it to the actual results.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 7
Salary and Benefits Disclosure
Year ended March 31
(in thousands)

	2012				2011
	Base Salary [a]	Other Cash Benefits [b]	Other Non-cash Benefits [c]	Total	Total
Deputy Minister [d], [e]	$ 275	$ 1	$ 80	$ 356	$ 324
Executives					
Assistant Deputy Minister, Tourism Division	193	26	53	272	237
Assistant Deputy Minister, Parks Division [e]	187	28	29	244	209
Assistant Deputy Minister, Recreation and Sport Development Division	170	1	47	218	190
Executive Director, Human Resources [f]	152	13	40	205	191
Executive Director, Financial Services	140	1	37	178	165
Executive Director, Information Management and Technology Services [f]	135	1	34	170	135
Executive Director, Policy, Planning and Legislative Services [f]	122	1	33	156	185

Prepared in accordance with Treasury Board Directive 12/98 as amended.

(a) Base salary includes pensionable base pay.

(b) Other cash benefits include vacation payouts and lump sum payments (include overtime if relevant for the particular circumstance). There were no bonuses paid in 2012.

(c) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plan, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.

(d) Automobile provided, no dollar amount included in other non-cash benefits.

(e) This position was occupied by two individuals at different times during the year.

(f) The incumbent's services are shared with the Department of Culture and Community Services which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this Schedule.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 8
Related Party Transactions
Year ended March 31
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2012	2011	2012	2011
Expenses – Directly Incurred				
Grants	$ 69,778	$ 81,967	$ 177	$ 94
Other Services	-	-	2,849	2,496
	$ 69,778	$ 81,967	$ 3,026	$ 2,590
Accounts Receivable	$ 289	$ -	$ -	$ 499
Tangible Capital Assets Transferred In (Out)	$ -	$ -	$ (871)	$ 3,691

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 8 (continued)
Related Party Transactions
Year ended March 31
(in thousands)

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 9.

	Entities in the Ministry		Other Entities	
	2012	2011	2012	2011
Recoveries				
Services Provided	$ 4,257	$ 4,310	$ -	$ -
Expenses – Incurred by Others				
Accommodation Costs	$ -	$ -	$ 5,334	$ 5,090
Legal Services	-	-	719	345
Other Services	-	-	2,905	2,462
Parks Maintenance	-	-	1,085	1,090
	$ -	$ -	$ 10,043	$ 8,987

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements – Schedule 9
Allocated Costs
Year ended March 31
(in thousands)

	2012						2011 Restated (Note 3)
		Expenses – Incurred by Others					
Program	Expenses [a]	Accommodation Costs [b]	Legal Services [c]	Other Services [d]	Parks Maintenance [e]	Total Expenses	Total Expenses
Ministry Support Services	$ 6,870	$ 531	$ 41	$ 560	$ -	$ 8,002	$ 8,464
Tourism	63,996	1,293	5	185	-	65,479	75,320
Parks	69,755	3,381	673	1,954	1,085	76,848	73,129
Recreation and Sport	25,567	129	-	206	-	25,902	26,119
	$ 166,188	$ 5,334	$ 719	$ 2,905	$ 1,085	$ 176,231	$ 183,032

[a] Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.
[b] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 8, allocated by square footage.
[c] Costs shown for Legal Services on Schedule 8, allocated by estimated costs incurred by each program.
[d] Costs shown for Other Services on Schedule 8, allocated by estimated costs incurred by each program.
[e] The Department of Transportation provided road and bridge maintenance to Parks. Costs shown for Parks Maintenance on Schedule 8, allocated to the program.

Department of Tourism, Parks and Recreation
Schedule to the Financial Statements - Schedule 10
Tangible Capital Assets
Year ended March 31
(in thousands)

	2012									2011
	General Capital Assets					Infrastructure Assets				
	Land	Buildings	Computer Hardware and Software	Equipment[a]	Other and Leasehold Improvements	Bridges	Highways and Roads	Land Improvements	Total	Total
Estimated Useful Life	Indefinite	10-50 years	5-8 years	3-25 years	10-20 years	60 years	50 years	40 years		
Historical Cost [b]										
Beginning of Year	$ 123,280	$ 186,350	$ 18,745	$ 32,234	$ 19,287	$ 3,230	$ 67,354	$ 196,419	$ 646,899	$ 628,886
Additions	-	4,955	1,396	2,587	(385)	-	(38)	6,211	14,726	17,344
Disposals, Including Write-Downs	-	(1,994)	(88)	(411)	-	-	(2)	(150)	(2,645)	(3,024)
Transfers to (from) Department	-	(997)	104	22	-	-	-	-	(871)	3,693
	$ 123,280	$ 188,314	$ 20,157	$ 34,432	$ 18,902	$ 3,230	$ 67,314	$ 202,480	$ 658,109	$ 646,899
Accumulated Amortization										
Beginning of Year	$ -	$ 82,538	$ 3,237	$ 16,375	$ 16,267	$ 1,054	$ 40,234	$ 97,847	$ 257,552	$ 243,382
Amortization Expense	-	5,154	2,299	2,280	141	48	1,894	4,784	16,600	15,731
Effect of Disposals	-	(1,435)	(86)	(362)	-	-	-	(7)	(1,890)	(1,563)
Effect of Transfer to Department	-	26	-	19	-	-	-	-	45	2
	$ -	$ 86,283	$ 5,450	$ 18,312	$ 16,408	$ 1,102	$ 42,128	$ 102,624	$ 272,307	$ 257,552
Net Book Value at March 31, 2012	$ 123,280	$ 102,031	$ 14,707	$ 16,120	$ 2,494	$ 2,128	$ 25,186	$ 99,856	$ 385,802	
Net Book Value at March 31, 2011	$ 123,280	$ 103,812	$ 15,508	$ 15,859	$ 3,020	$ 2,176	$ 27,120	$ 98,572		$ 389,347

[a] Equipment includes network switches and routers, vehicles, heavy equipment, fire protection equipment, office equipment and furniture, and other equipment.
[b] Historical cost includes work-in-progress at March 31, 2012 totaling $25,774 (2011 - $64,962) comprised of: buildings $9,738 (2011 - $27,048); computer hardware and software $1,661 (2011 - $13,348); equipment $2,064 (2011 - $2,032); other $6 (2011 – $2,500); land improvements $12,262 (2011 - $19,083); highways $27 (2011 – $935) and bridges $16 (2011 - $16).

Travel Alberta

Financial Statements
March 31, 2012

Travel Alberta
Financial Statements
March 31, 2012

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Revenues

Schedule 2 – Expenses – Directly Incurred Detailed by Object

Schedule 3 – Budget

Schedule 4 – Salary and Benefits Disclosure

Schedule 5 – Related Party Transactions

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Board of Directors of Travel Alberta and the Minister of Tourism, Parks and Recreation

Report on the Financial Statements

I have audited the accompanying financial statements of Travel Alberta, which comprise the statement of financial position as at March 31, 2012, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Travel Alberta as at March 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 23, 2012

Edmonton, Alberta

Travel Alberta
Statement of Operations
Year ended March 31
(in thousands)

	2012		2011
	Budget (Schedule 3)	Actual	Actual
Revenues (Schedule 1)			
Internal Government Transfers	$ 46,499	$ 46,499	$ 58,688
Investment Income	296	437	425
Premiums, Fees and Licences	-	222	173
Other Revenue	-	1,475	1,056
	46,795	48,633	60,342
Expenses – Directly Incurred (Schedule 2)			
Canada Marketing	9,739	12,515	13,871
International Marketing	18,843	21,323	14,672
E-Marketing	2,795	3,148	2,661
Tourism Destination Regions	7,095	6,781	7,020
Consumer and Media Relations	4,065	6,391	4,912
Corporate Operations	4,493	4,752	5,658
	47,030	54,910	48,794
Net Operating Results	$ (235)	$ (6,277)	$ 11,548

The accompanying notes and schedules are part of these financial statements.

Travel Alberta
Statement of Financial Position
As at March 31
(in thousands)

	2012	2011
Assets		
Cash (Note 3)	$ 14,929	$ 20,410
Accounts Receivable (Note 4)	110	188
Prepaid Expenses (Note 4)	9	10
	15,048	20,608
Tangible Capital Assets (Note 5)	523	484
	$ 15,571	$ 21,092
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 4,967	$ 4,211
Net Assets		
Net Assets – Unrestricted	523	484
Net Assets – Sustainability Fund (Note 7)	10,081	16,397
Net Assets	10,604	16,881
	$ 15,571	$ 21,092

Contractual obligations (Note 8)

The accompanying notes and schedules are part of these financial statements.

Travel Alberta
Statement of Cash Flows
Year ended March 31
(in thousands)

	2012	2011
Operating Transactions		
Net Operating Results	$ (6,277)	$ 11,548
Non-cash Items Included in Net Operating Results		
Amortization	105	112
Loss on Disposal of Tangible Capital Assets	-	90
	(6,172)	11,750
Decrease in Accounts Receivable	78	788
Decrease in Prepaid Expenses	1	95
Increase in Accounts Payable and Accrued Liabilities	756	1,464
Cash Provided by Operating Transactions	(5,337)	14,097
Capital Transactions		
Acquisition of Tangible Capital Assets	(144)	(187)
Cash Applied to Capital Transactions	(144)	(187)
Financing Transactions	-	-
Increase (Decrease) in Cash	(5,481)	13,910
Cash at Beginning of Year	20,410	6,500
Cash at End of Year	$ 14,929	$ 20,410

The accompanying notes and schedules are part of these financial statements.

Travel Alberta
Notes to the Financial Statements
Year ended March 31, 2012

Note 1 Authority and Purpose

Travel Alberta (the "Corporation") operates under the authority of the *Travel Alberta Act*, Chapter T-6.5, Statutes of Alberta 2008. The Corporation's results are consolidated into the Ministry of Tourism, Parks and Recreation (Ministry), which operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Corporation is to:

- market tourism assets, attractions and opportunities present in Alberta, in domestic, national and international markets,
- promote Alberta as a destination for tourists and other visitors,
- assist Alberta's tourism industry operators to market their products, and
- exercise or perform any other powers, duties and functions as may be regulated from time to time by the Lieutenant Governor in Council.

The Corporation is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is Travel Alberta, which is part of the Ministry and for which the Minister of Alberta Tourism, Parks and Recreation is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Revenues

Substantially all of the Corporation's revenue is from the Province of Alberta's allocation of the Tourism Levy.

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Revenue from partners is cash received for specific marketing projects. The revenue is recognized as the projects take place.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues (continued)

Investment income is recognized as revenue is earned.

The Province of Alberta allocates a portion of the Tourism Levy to the Corporation.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return. Internal government transfers are recognized as revenue when received.

Expenses

Directly Incurred

Directly incurred expenses are those costs for which the Corporation has primary accountability, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for the current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, and long-term disability.

Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Corporation are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventories held for resale.

Assets acquired by right are not included. Tangible capital assets of the Corporation are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major system enhancements is $100,000. The threshold for all other tangible capital assets is $10,000. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the asset is in use.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Net Assets

Net assets represent the difference between the carrying value of assets held by the Corporation and its liabilities.

Canadian public sector accounting standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The Corporation operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Measurement Uncertainty

In preparing the Corporation's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

Note 3 Cash (in thousands)

	2012	2011
Consolidated Cash Investment Trust Fund	$ 10,038	$ 14,932
Cash in Other Bank Accounts	4,891	5,478
	$ 14,929	$ 20,410

Cash consists of funds in operating accounts and deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. For the year ended March 31, 2012, securities held by the CCITF had a time-weighted return of 1.3% per annum (2011 – 1.1% per annum).

Note 4 Accounts Receivable and Prepaid Expenses (in thousands)

	2012			2011
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 110	$ -	$ 110	$ 188
Prepaid Expenses	9	-	9	10
	$ 119	$ -	$ 119	$ 198

Accounts receivable are unsecured and non-interest bearing.

Travel Alberta
Notes to the Financial Statements
Year ended March 31, 2012

Note 5 Tangible Capital Assets (in thousands)

	2012			2011
	Computer Hardware and Software	Leasehold Improvements	Total	Total
Estimated Useful Life	3 years	10 years		
Historical Costs				
Beginning of Year	$ 196	$ 386	$ 582	$ 597
Additions	123	21	144	187
Disposals, Including Write Downs	-	-	-	(202)
	319	407	726	582
Accumulated Amortization				
Beginning of Year	53	45	98	98
Amortization Expense	66	39	105	112
Effect of Disposals	-	-	-	(112)
	119	84	203	98
Net Book Value at March 31, 2012	$ 200	$ 323	$ 523	
Net Book Value at March 31, 2011	$ 143	$ 341		$ 484

Note 6 Accounts Payable and Accrued Liabilities (in thousands)

	2012	2011
Trade Accounts Payable	$ 3,563	$ 2,189
Accruals and Other Accounts Payable	1,404	2,022
	$ 4,967	$ 4,211

Note 7 Net Assets – Sustainability Fund (in thousands)

	2012	2011
Balance, beginning of year	$ 16,397	$ 4,834
Increase (decrease) – as budgeted (Schedule 3)	(8,261)	8,206
Actual difference to budget	1,945	3,357
Balance, end of year	$ 10,081	$ 16,397

The Sustainability Fund, approved by the Board of Directors, has been created to allow sustainability of programs in future years when declines in the tourism levy funding would otherwise have required reductions in the program spending.

Note 8 Contractual Obligations (in thousands)

Contractual obligations are obligations of the Corporation to others that will become liabilities in the future when the terms of the contracts or agreements are met.

	2012	2011
Obligations Under Operating Leases, Contracts and Programs		
Grant Agreements	$ -	$ 7,095
Operating Leases	7,617	7,393
Service Contracts	29,802	15,661
	$ 37,419	$ 30,149

Estimated payment requirements for obligations under operating leases, contracts and programs for the next five years and thereafter are as follows:

Obligation Under Operating Leases, Contracts and Programs

	Total
2012 – 2013	$ 17,493
2013 – 2014	13,672
2014 – 2015	1,369
2015 – 2016	926
2016 – 2017	972
Thereafter	2,987
	$ 37,419

Note 9 Benefit Plans (in thousands)

The Corporation participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $827 for the year ended March 31, 2012 (2011 - $581). The Corporation is not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2011 the Management Employees Pension Plan reported a deficiency of $517,726 (2010 - deficiency $397,087), the Public Service Pension Plan reported a deficiency of $1,790,383 (2010 - deficiency $2,067,151) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $53,489 (2010 - deficiency $39,559).

Note 10 Comparative Figures

Certain 2011 figures have been reclassified to conform to the 2012 presentation.

Note 11 Approval of Financial Statements

The financial statements were approved by the Board of Directors on May 23, 2012.

Travel Alberta
Schedule to the Financial Statements – Schedule 1
Revenues
Year ended March 31
(in thousands)

	2012		2011
	Budget	Actual	Actual
Internal Government Transfers			
Transfer from the Department of Tourism, Parks and Recreation	$ 46,499	$ 46,499	$ 58,688
Investment Income			
Interest	296	437	425
Premiums, Fees and Licences			
Other	-	222	173
Other Revenue			
Sponsorship	-	113	126
Revenue from Partners	-	1,362	930
	-	1,475	1,056
Total Revenues	$ 46,795	$ 48,633	$ 60,342

Travel Alberta
Schedule to the Financial Statements – Schedule 2
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(in thousands)

	2012		2011
	Budget	Actual	Actual
Salaries, Wages and Employee Benefits	$ 7,271	$ 7,005	$ 4,975
Supplies and Services	32,429	41,001	36,582
Grants	7,095	6,781	7,020
Financial Transactions and Other	-	18	105
Amortization of Tangible Capital Assets	235	105	112
	$ 47,030	$ 54,910	$ 48,794

Travel Alberta
Schedule to the Financial Statements – Schedule 3
Budget
Year ended March 31
(in thousands)

	2011-12 Estimates	Adjustment [a]	2011-12 Budget	Authorized Supplementary	2011-12 Authorized Budget
Revenues					
Internal Government Transfers	$ 46,499	$ -	$ 46,499	$ -	$ 46,499
Investment Income	296	-	296	-	296
Premiums, Fees and Licences	-	-	-	-	-
Other Revenue	-	-	-	-	-
	46,795	-	46,795	-	46,795
Expenses – Directly Incurred					
Canada Marketing	9,739	-	9,739	2,089	11,828
International Marketing	18,843	-	18,843	2,650	21,493
E-Marketing	2,795	-	2,795	994	3,789
Tourism Destination Regions	7,095	-	7,095	-	7,095
Consumer and Media Relations	4,065	-	4,065	1,666	5,731
Corporate Operations	4,493	-	4,493	862	5,355
	47,030	-	47,030	8,261 [b]	55,291
Net Operating Results	$ (235)	$ -	$ (235)	$ (8,261)	$ (8,496)

(a) Treasury Board approval is pursuant to section 24(2) of the *Financial Administration Act*.
(b) Treasury Board approved an increase in operating expense of $8,261 on July 26, 2011 for Travel Alberta, utilizing the Sustainability Fund.

Travel Alberta
Schedule to the Financial Statements - Schedule 4
Salary and Benefits Disclosure
Year ended March 31
(in thousands)

	2012				2011
	Base Salary[a]	Other Cash Benefits[b]	Other Non-cash Benefits[c]	Total	Total
Chairman of the Board	$ -	$ 31	$ -	$ 31	$ 31
Board Members[d]	-	57	-	57	48
Executives					
Chief Executive Officer	192	12	51	255	257
Vice President, Marketing[e]	67	3	35	105	183
Vice President, Corporate Services[f]	33	2	7	42	145
Executive Director, Corporate Communication	122	-	27	149	146
Executive Director, Industry Relations[g]	136	-	22	158	11

Prepared in accordance with Treasury Board Directive 12/98 as amended.

(a) Base salary includes pensionable base pay.
(b) Other cash benefits include honoraria and vacation payouts. There were no bonuses paid in 2012.
(c) Other non-cash benefits include Corporation's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plan, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.
(d) The board consists of eight independent members including the Chairman, whose honorarium is disclosed separately. In addition, the Deputy Minister of Tourism, Parks and Recreation sits on the Board but receives no compensation from the Corporation.
(e) The Vice President, Marketing position was vacant from March 19, 2011 to October 31, 2011.
(f) The Vice President, Corporate Services position was occupied until June 24, 2011.
(g) The Executive Director, Industry Consulting position was occupied from March 7, 2011.

Travel Alberta
Schedule to the Financial Statements – Schedule 5
Related Party Transactions
Year ended March 31
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements.

The Corporation and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Corporation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2012	2011	2012	2011
Revenues				
Internal Government Transfers	$ 46,499	$ 58,688	$ -	$ -
Other Revenue	-	-	30	-
	46,499	58,688	30	-
Expenses – Directly Incurred				
Other services	$ -	$ 1	$ 41	$ 58
Accounts Receivable	$ 11	$ -	$ 20	$ -
Accounts Payable	$ 255	$ -	$ 12	$ 35

Alberta Sport, Recreation, Parks and Wildlife Foundation

Financial Statements
March 31, 2012

Alberta Sport, Recreation, Parks and Wildlife Foundation
Financial Statements
March 31, 2012

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 – Revenues

Schedule 2 – Expenses – Directly Incurred Detailed by Object

Schedule 3 – Related Party Transactions

Schedule 4 – Allocated Costs

Schedule 5 – Tangible Capital Assets

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Members of Alberta Sport, Recreation, Parks and Wildlife Foundation and the Minister of Tourism, Parks and Recreation

Report on the Financial Statements

I have audited the accompanying financial statements of the Alberta Sport, Recreation, Parks and Wildlife Foundation, which comprise the statement of financial position as at March 31, 2012, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Alberta Sport, Recreation, Parks and Wildlife Foundation as at March 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

June 5, 2012

Edmonton, Alberta

Alberta Sport, Recreation, Parks and Wildlife Foundation
Statement of Operations
Year ended March 31
(in thousands)

	2012					2011
	Budget	Unrestricted Fund	Restricted Fund	Endowment Restricted Fund	Total Actual	Total Actual
Revenues (Schedule 1)						
Internal Government Transfers	$ 23,279	$ 23,279	$ -	$ -	$ 23,279	$ 23,279
Transfers from the Government of Canada	378	471	-	-	471	474
Investment Income	275	164	27	-	191	158
Premiums, Fees and Licences	230	213	-	-	213	191
Other Revenue	2,112	1,036	194	-	1,230	1,277
	26,274	25,163	221	-	25,384	25,379
Expenses – Directly Incurred (Note 2(b) and Schedules 2 and 4)						
Provincial Programs	16,569	15,952	67	-	16,019	15,912
Alberta and Interprovincial Games	3,189	2,858	95	-	2,953	3,194
Active Lifestyles	1,918	1,957	-	-	1,957	1,914
Municipal Recreation / Tourism Areas	1,493	1,473	-	-	1,473	1,474
High Performance Athlete Assistance	1,010	968	-	-	968	1,033
Provincial and Regional Development	710	729	-	-	729	709
Percy Page Centre (Note 9)	427	311	-	-	311	329
Parks and Wildlife Ventures	372	252	63	-	315	292
Other Initiatives	123	109	14	-	123	64
Administration	475	473	7	-	480	437
	26,286	25,082	246	-	25,328	25,358
Net Operating Results	(12)	81	(25)	-	56	21
Fund Balances at Beginning of Year		876	4,014	426	5,316	5,295
Fund Balances at End of Year		$ 957	$ 3,989	$ 426	$ 5,372	$ 5,316

The accompanying notes and schedules are part of these financial statements.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Statement of Financial Position
As at March 31
(in thousands)

	2012	2011
Assets		
Cash and Cash Equivalents (Note 3)	$ 3,151	$ 2,688
Accounts Receivable (Note 4)	59	231
Prepaid Expenses and Inventory (Note 5)	61	58
	3,271	2,977
Endowment Restricted Cash (Note 8)	426	426
Tangible Capital Assets (Schedule 5)	2,352	2,330
	$ 6,049	$ 5,733
Liabilities		
Accounts Payable and Accrued Liabilities	$ 677	$ 380
Unearned Revenue	-	37
	677	417
Fund Balances		
Unrestricted	957	876
Restricted (Note 7)	3,989	4,014
Endowment Restricted (Note 8)	426	426
	5,372	5,316
	$ 6,049	$ 5,733

Contractual Obligations (Note 12)

The accompanying notes and schedules are part of these financial statements.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Statement of Cash Flows
Year ended March 31
(in thousands)

	2012	2011
Operating Transactions		
Net Operating Results	$ 56	$ 21
Non-cash Items Included in Net Operating Results		
Amortization	14	13
	70	34
Decrease in Accounts Receivable	172	65
Increase in Prepaid Expenses and Inventory	(3)	(14)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	297	(805)
(Decrease) Increase in Unearned Revenue	(37)	37
Cash Applied to Operating Transactions	499	(683)
Capital Transactions		
Acquisition of Tangible Capital Assets	(36)	(11)
Cash Applied to Capital Transactions	(36)	(11)
Increase (Decrease) in Cash and Cash Equivalents	463	(694)
Cash and Cash Equivalents at Beginning of Year	3,114	3,808
Cash and Cash Equivalents at End of Year	$ 3,577	$ 3,114

The accompanying notes and schedules are part of these financial statements.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Notes to the Financial Statements
Year ended March 31, 2012

Note 1 Authority and Purpose

The Alberta Sport, Recreation, Parks and Wildlife Foundation (Foundation) operates under the authority of the *Alberta Sport, Recreation, Parks and Wildlife Foundation Act*, Chapter A-34, Revised Statutes of Alberta 2000.

The purpose of the Foundation is to support enhancement of sport, recreation, parks and wildlife programs for all Albertans.

The Foundation is a Crown agent of the Government of Alberta and as such has a tax exempt status.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Alberta Sport, Recreation, Parks and Wildlife Foundation, which is part of the Ministry of Tourism, Parks and Recreation (Ministry) and for which the Minister of Tourism, Parks and Recreation is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

(b) Basis of Financial Reporting

Fund Accounting

Transactions are grouped, for accounting and reporting purposes, into funds in accordance with specified activities or objectives. These funds are described as follows:

- Unrestricted fund accounts for revenues and expenses associated with the primary activities of the Foundation;
- Restricted fund accounts for non-government contributions received for which donors have specified the purpose, restricted interest earned, restricted related expenses incurred; and funds restricted by the Board of Directors;
- Endowment fund accounts for contributions received under various agreements with sponsors and matching funds provided by the Foundation. Interest earned on the existing endowment funds can only be used to fund various sport programs, and are therefore recorded as part of the restricted fund. The principal must remain intact.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return. Internal government transfers are recognized as revenue when received.

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include amortization of tangible capital assets.

Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Foundation operations are not recognized and are disclosed in Schedule 3 and allocated to programs in Schedule 4.

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(b) Basis of Financial Reporting (continued)

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets of the Foundation are limited to financial claims, such as advances to and receivables from other organizations and individuals, as well as inventories held for resale.

Inventories are valued at the lower of cost and net realizable value. Cost is determined on the first in, first out basis.

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major system enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

Amortization is only charged if the asset is in use.

Artworks are not recorded as assets. Purchases of artworks are expensed in the period in which the items are acquired. Donations of artworks are reported as revenue and expenses at their fair value when fair value can be reasonably determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

Note 3 Cash and Cash Equivalents (in thousands)

Cash and cash equivalents consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2012, securities held by the CCITF have a time-weighted return of 1.3% per annum (2011 – 1.1% per annum).

Cash in the amount of $1,592 (2011 - $1,630) has been externally restricted and $138 (2011 - $140) has been internally restricted and is therefore not available to pay for operating expenses (Note 6).

Note 4 Accounts Receivable (in thousands)

	2012			2011
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 59	$ -	$ 59	$ 231

Accounts receivable are unsecured and non-interest bearing.

Note 5 Prepaid Expenses and Inventory (in thousands)

	2012	2011
Inventory	$ 18	$ 30
Prepaid Expenses	43	28
	$ 61	$ 58

Note 6 Artworks (in thousands)

The Foundation has a collection of artworks consisting of 19 (2011 - 19) prints of the Waterfowl of North America Collection #1250 with an approximate value of $5 (2011 - $5). There were no artwork dispositions (2011 – Nil) or acquisitions (2011– Nil) during the year.

Note 7 Restricted Fund (in thousands)

	2012	2011
Investment in Land, Equipment, and Buildings[(a)]	$ 2,259	$ 2,244
Externally Restricted Funds	1,592	1,630
Internally Restricted Funds	138	140
	$ 3,989	$ 4,014

(a) The land, equipment, and buildings are governed by restrictions that require the Foundation to use these assets for its programs.

Note 8 Endowment Restricted Fund (in thousands)

	2012	2011
Externally Restricted Contributions	$ 228	$ 228
Internally Restricted Matching Funds	198	198
	$ 426	$ 426

Note 9 Percy Page Centre

The Foundation operates the Percy Page Centre in Edmonton to provide accommodation and office services to not-for-profit organizations. These organizations are charged for their use of office equipment, supplies and print shop facilities.

Note 10 Trust Fund (in thousands)

The Foundation is the beneficiary of a trust fund that is administered by the Royal Trust Corporation of Canada over which the Foundation has no power of administration or appropriation. Because the Province has no equity in the fund and is only the beneficiary of the income portion of the fund, it is not included in the Foundation's financial statements.

At March 31, 2012 the trust fund was as follows:

	2012	2011
Peaceful Valley Trust	$ 2,076	$ 1,761

The income generated from the trust fund is only recognized at the time of withdrawal. The funds are restricted and are to be used for the maintenance or expansion of Peaceful Valley.

Note 11 Honoraria (in thousands)

	2012			2011
	Honoraria[a]	Benefits and Allowances[b]	Total	Total
Board[c]				
Chair	$ 33	$ -	$ 33	$ 13
Other Members (9)	89	-	89	75
	$ 122	$ -	$ 122	$ 88

[a] The Foundation has no employees. Staff of the Department of Tourism, Parks and Recreation administers the Foundation. Disclosure of information on their salaries and benefits, a requirement under Treasury Board Directive 03/2004, is included in the financial statements of the Department of Tourism, Parks and Recreation.

[b] No benefits were provided to board members.

[c] Members appointed to the Foundation's board are paid honoraria for attending Foundation meetings at rates set by Ministerial Order. They are also paid for sub-committee meetings, to attend out-of-town meetings and for attending to other Foundation duties.

Note 12 Contractual Obligations (in thousands)

Contractual obligations are obligations of the Foundation to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2012	2011
Obligations Under Operating Leases, Contracts and Programs		
Grant Agreements	$ 200	$ 223
Operating Leases	322	342
Service Contracts	28	131
	$ 550	$ 696

Estimated payment requirements for obligations under operating leases, contracts and programs for the next five years as follows:

Obligation Under Operating Leases, Contracts and Programs	Total
2012 - 2013	$ 223
2013 - 2014	195
2014 - 2015	90
2015 - 2016	32
2016 - 2017	10
	$ 550

Note 13 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to the Financial Statements – Schedule 1
Revenues
Year ended March 31
(in thousands)

	2012					2011
	Budget	Unrestricted Fund	Restricted Fund	Endowment Restricted Fund	Total Actual	Total Actual
Internal Government Transfers						
Transfers from the Department of Tourism, Parks and Recreation	$ 23,279	$ 23,279	$	-	$ 23,279	$ 23,279
Transfers from the Government of Canada	378	471	-	-	471	474
Investment Income						
Interest	275	164	27	-	191	158
Premiums, Fees and Licences						
Alberta Games Registration Fees	175	154	-	-	154	183
Alberta's Future Leaders Fees	15	17	-	-	17	8
Conference Fees	40	42	-	-	42	-
	230	213	-	-	213	191
Other Revenue						
Donations	1,630	716	191	-	907	856
Miscellaneous	35	44	-	-	44	51
Refunds of Expenses	20	19	-	-	19	64
Sales						
Percy Page Centre (Note 9)	427	257	-	-	257	302
Parks and Wildlife Ventures	-	-	3	-	3	4
	2,112	1,036	194	-	1,230	1,277
Total Revenues	$ 26,274	$ 25,163	$ 221	$ -	$ 25,384	$ 25,379

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to the Financial Statements – Schedule 2
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(in thousands)

	2012		2011
	Budget	Actual	Actual
Honoraria (Note 11)	$ 55	$ 122	$ 88
Supplies and Services	2,953	2,483	2,199
Supplies and Services from Support Service Arrangements with Related Parties[a]	2,927	2,927	2,954
Grants	20,339	19,782	20,104
Amortization of Tangible Capital Assets	12	14	13
	$ 26,286	$ 25,328	$ 25,358

[a] The Foundation receives financial and administrative services from the Department of Tourism, Parks and Recreation.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to the Financial Statements – Schedule 3
Related Party Transactions
Year ended March 31
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements.

The Foundation paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2012	2011	2012	2011
Revenues				
Internal Government Transfers	$ 23,279	$ 23,279	$ -	$ -
Expenses – Directly Incurred				
Grants	$ -	$ -	$ 1,848	$ 1,605
Other services	-	-	31	13
	$ -	$ -	$ 1,879	$ 1,618
Accounts Payable	$ 34	$ -	$ -	$ -

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Foundation also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 4.

	Entities in the Ministry		Other Entities	
	2012	2011	2012	2011
Expenses – Incurred by Others				
Accommodation Costs	$ -	$ -	$ 1,354	$ 1,292
Legal Services	-	-	9	10
Other Services	476	360	-	-
	$ 476	$ 360	$ 1,363	$ 1,302

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to the Financial Statements – Schedule 4
Allocated Costs
Year ended March 31
(in thousands)

	2012					2011
		Expenses – Incurred by Others				
Program	Expenses [a]	Accommodation Costs [b]	Legal Services [c]	Other Services [d]	Total Expenses	Total Expenses
Provincial Programs	$ 16,019	$ 34	$ -	$ 152	$ 16,205	$ 16,059
Alberta and Interprovincial Games	2,953	142	-	171	3,266	3,459
Active Lifestyles	1,957	8	-	19	1,984	1,936
High Performance Athlete Assistance	968	-	-	-	968	1,033
Municipal Recreation / Tourism Areas	1,473	7	-	24	1,504	1,499
Provincial and Regional Development	729	-	-	5	734	713
Percy Page Centre (Note 9)	311	1,139	-	19	1,469	1,430
Parks and Wildlife Ventures	315	7	9	29	360	330
Other Initiatives	123	-	-	5	128	68
Administration	480	17	-	52	549	493
	$ 25,328	$ 1,354	$ 9	$ 476	$ 27,167	$ 27,020

[a] Expenses – Directly Incurred as per Statement of Operations.
[b] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 3, allocated by square footage.
[c] Costs shown for Legal Services on Schedule 3, allocated by estimated costs incurred by each program.
[d] Costs shown for Other Services on Schedule 3, allocated by estimated costs incurred by each program.

Alberta Sport, Recreation, Parks and Wildlife Foundation
Schedule to the Financial Statements – Schedule 5
Tangible Capital Assets
Year ended March 31
(in thousands)

	2012							2011
	Unrestricted Assets		Restricted Assets[a]					
	Land	Equipment	Land	Buildings	Equipment	Land Improvements	Total	Total
Estimated Useful Life	Indefinite	5 - 10 years	Indefinite	40 years	5 - 10 years	40 years		
Historical Costs								
Beginning of Year	$ 64	$ 41	$ 2,050	$ 266	$ -	$ 15	$ 2,436	$ 2,425
Additions	-	13	-	-	23	-	36	11
	$ 64	$ 54	$ 2,050	$ 266	$ 23	$ 15	$ 2,472	$ 2,436
Accumulated Amortization								
Beginning of Year	$ -	$ 19	$ -	$ 86	$ -	$ 1	$ 106	$ 93
Amortization Expense	-	6	-	7	1	-	14	13
	$ -	$ 25	$ -	$ 93	$ 1	$ 1	$ 120	$ 106
Net Book Value at March 31, 2012	$ 64	$ 29	$ 2,050	$ 173	$ 22	$ 14	$ 2,352	
Net Book Value at March 31, 2011	$ 64	$ 22	$ 2,050	$ 180	$ -	$ 14		$ 2,330

[a] Restricted for use in the Parks and Wildlife Ventures program.

Other Information

Ministry of Tourism, Parks and Recreation
Statements of Writeoffs Year Ended March 31, 2012

The following information is unaudited:

The following statement has been prepared pursuant to Section 23 of the *Financial Administration Act* and is unaudited. This statement includes all writeoffs made or approved during the fiscal period.

Writeoffs	
Accounts Receivable	$10,206
Total Writeoffs	$10,206

Acts Administered by Tourism, Parks and Recreation

Tourism, Parks and Recreation is responsible for a wide array of acts that have a direct impact on quality of life in Alberta. Below is a list of all acts administered by Tourism, Parks and Recreation. If you would like to review these acts in more detail, they are included on the ministry's website (www.tpr.alberta.ca/about/legislation.aspx).

NAME OF ACT	DESCRIPTION
Alberta Sport, Recreation, Parks and Wildlife Foundation Act	Establishes the foundation with its mandate to develop and maintain sport, park and recreation programs, facilities and services, raise funds, provide grants and acquire real and personal property.
Black Creek Heritage Rangeland Trails Act	Provides for the establishment, protecting and management of the Black Creek Heritage Rangeland Trails. (Unproclaimed)
Provincial Parks Act	Provides for the establishment, protection, management, planning and control of provincial parks, wildland parks and provincial recreation areas.
Recreation Development Act	Provides for promoting and encouraging the orderly development of recreation activities and facilities.
Travel Alberta Act	Establishes the corporation with its mandate to market the tourism assets, attractions and opportunities present in Alberta in domestic, national and international markets; to promote Alberta as a destination for tourists and other visitors; and to assist Alberta's tourism industry operators to market their products.
Wilderness Areas, Ecological Reserves, Natural Areas and Heritage Rangelands Act	Provides for the establishment, protection and management of wilderness areas, ecological reserves, natural areas and heritage rangelands.
Willmore Wilderness Park Act	Establishes and protects the Willmore Wilderness Park.

Performance Measures: Data Source and Methodology

Tourism Division Client Satisfaction Survey
(Measure: 1.a)

Following guidelines established for conducting government activity during an election, the evaluation of tourism development services is planned for June 2012. The online version of this report will be updated when available.

Statistics Canada, Travel Survey of Residents of Canada and the International Travel Survey, and Tourism, Parks and Recreation
(Measure: 1.b)

The total value of tourism expenditures in Alberta is derived by Tourism, Parks and Recreation from the data published by Statistics Canada in the Travel Survey of Residents of Canada and the International Travel Survey.

Final year-end data for both surveys are usually not available until September of the following year. The estimate for 2011 is based on travel statistics that provide an indication of demand, such as customs counts at Alberta's land based ports of entry and airports, and deplanements at Calgary and Edmonton international airports. Deplanement statistics provided by airports measure the number of passengers arriving on all flights at the airports. Also, deplanements include both domestic and international passengers where customs counts at the airport only measure the number of passengers clearing Canada Customs. For example, customs counts at Calgary and Edmonton international airports do not measure international travellers that clear customs elsewhere in Canada (e.g., Pearson International Airport or Vancouver International Airport) and then took a connecting flight to either Calgary or Edmonton.

Gate counts at Banff, Jasper, Waterton Lakes and Elk Island national parks are also used to provide additional information on demand. In addition, occupancy rate information collected by Smith Travel Research is used to determine the demand for fixed-roof lodging in the mountain parks, Edmonton and Calgary. Travel intention data produced by the Canadian Tourism Research Institute are also applied to estimate demand from Alberta's key domestic markets of British Columbia, Saskatchewan and Ontario. In addition to indicators of demand, estimates of the Travel Price Index are forecast to assist with tourism expenditure projections.

Visitor Information Centre Satisfaction Survey
(Measure: 1.c)

Data was obtained from the visitor information centre exit survey conducted by the research firm, Ipsos Reid. The research firm conducted exit interviews at 10 visitor information centres between July 27 and August 16, 2011. The centres include: Canmore, Field, Crowsnest Pass, West Glacier, Lloydminster, Oyen, Walsh, Milk River, Hinton and Grande Prairie. To ensure a variety of travellers were included, the interviews were spread across weekends and weekdays, during the peak visitor season. Respondents were asked to rate the service on a scale of 1 to 5, where 1 means very dissatisfied and 5 means very satisfied. In 2011, 895 onsite exit surveys were conducted. The margin of error is +/-3.3 per cent,19 times out of 20.

Travel Alberta Interactive Voice Response Survey
(Measure 1.d)

Data are obtained from a survey offered to all callers to 1-800-ALBERTA. Advanis Inc. is the contractor which runs the Travel Alberta Contact Centre and conducted this survey. Data was collected from January 1 to December 31, 2011. The sample size is dependent on the number of calls handled by the contact centre and the proportion of callers who choose to participate. However in 2011, due to a technical issue with phone transfers dropping, only 673 surveys were completed. Respondents were asked to rate the service on a scale of 1 to 5, where 1 means very satisfied and 5 means very dissatisfied. A rating of 1 or 2 indicates the caller was satisfied with the service provided. The response rate for the survey is 6.0 per cent and the margin of error is +/-3.7 per cent, 19 times out of 20.

Tourism, Parks and Recreation Survey of Albertans
(Measures: 2.a, 3.a)

The Tourism, Parks and Recreation Survey of Albertans is a province-wide telephone survey of 1,000 adult Albertans. Leger Marketing conducted this survey using a random sample stratified by age group, gender and geographic location to be representative of Alberta's population. Albertans were asked if they had participated in recreational activities such as walking, bicycling, skiing, golfing, skating, swimming and amateur sports in the past year. Interviews were conducted from January 11 to January 20, 2012 by trained and experienced interviewers. The interviews were monitored in progress and at least 10.0 per cent of each interviewer's work was directly monitored. The response rate for the survey was 32.3 per cent and the margin of error is +/-3.1 per cent, 19 times out of 20.

How Are We Doing? Provincial Parks and Recreation Areas Camper Satisfaction Survey
(Measure: 2.b)

The camper satisfaction survey covers a representative cross-section of 105 provincial parks or recreation area campgrounds that are surveyed according to size (visitation), management method and geography. Only automobile accessible campgrounds where visitation is greater than 1,050 occupied campsite nights are included. Each year, the survey is conducted at approximately one quarter of these campgrounds on a four-year rotational basis. Although 32 campgrounds were identified to be surveyed in 2011-12, three campgrounds were excluded due to unforeseen circumstances (i.e., insufficient resources), one was excluded due to flooding, and five campgrounds were excluded from the analysis due to inadequate sample size. Overall results are determined through the combined response categories of very satisfied and satisfied, the top two categories of a five-point rating scale. The sample size was 2,766 with data collected from June 1 to September 5, 2011. The response rate for the survey was 50.5 per cent and the margin of error is +/-1.8 per cent, 19 times out of 20.

Canadian Community Health Survey
(Measure: 3.b)

This methodology pertains to 2010 when this survey was last conducted.

The percentage of Albertans age 12 to 19 who are active or moderately active in their leisure time is from data published by Statistics Canada from the Canadian Community Health Survey. Respondents were asked if they had participated in a recreational activity such as walking, bicycling, skiing, golfing, skating, swimming and amateur sports in the past three months. The result is based on a combination of questions on the type, frequency and duration of each of the identified activities (e.g., walking for exercise, skiing, weight training, golfing, exercise classes, etc). The survey was conducted between January and December 2010 by trained and experienced interviewers. The response rate for the Computer-Assisted Personal Interviewing part of the survey was 72.7 per cent and for the Computer-Assisted Telephone Interviewing it was 75.1 per cent. The margin of error is +/-4.6 per cent, 19 times out of 20.

Readership Survey

Tourism, Parks and Recreation 2011-12 Annual Report

Thank you for reading the Tourism, Parks and Recreation 2011-12 Annual Report. We hope that you will take a few minutes to complete this readership survey. We are committed to continuous improvement and welcome your feedback and suggestions.

Instructions:
Please read each question carefully and circle the rating that best describes your response. If you require more space for your response, please use a separate piece of paper and identify the corresponding question clearly. If you have any questions, or require further clarification, contact Brad Babiak at 780-644-3272 or brad.babiak@gov.ab.ca.

If you would like to be contacted regarding your feedback, please provide your information below.

Name:

Organization:

Telephone Number:

Email:

1. Having read the Tourism, Parks and Recreation 2011-12 Annual Report, how would you rate it overall on the following characteristics? Using scale one to five, where ONE is STRONGLY DISAGREE, THREE is NEUTRAL, and FIVE is STRONGLY AGREE, do you agree that... *(Please circle only one rating number for each statement.)*

	strongly disagree		neutral		strongly agree
I learned something new about the ministry reading this report	1	2	3	4	5
This annual report is easy to read	1	2	3	4	5
This annual report was informative and useful to me	1	2	3	4	5
The report has an appealing format/look	1	2	3	4	5
I can easily find the information that I am looking for	1	2	3	4	5
I plan on using this annual report as a reference	1	2	3	4	5
Overall, this annual report meets my needs as a reader	1	2	3	4	5

2. What areas or features did you like the most about this annual report?

3. What areas or features would you recommend for further improvement?

Please tear out this survey and fax it to 780-427-0255 or mail it to Tourism, Parks and Recreation, Planning and Performance Measurement, 7th Floor, Standard Life Centre, 10405 Jasper Avenue, Edmonton, Alberta, Canada, T5J 4R7

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